

# Jacksonville Police and Fire Pension Fund

ACTUARIAL VALUATION REPORT AS OF  
OCTOBER 1, 2024 - DRAFT

ANNUAL EMPLOYER CONTRIBUTION FOR THE FISCAL YEAR  
ENDING SEPTEMBER 30, 2026





January 21, 2025

Board of Trustees  
Jacksonville Police and Fire Pension Fund  
Jacksonville, Florida

**Re: Jacksonville Police and Fire Pension Fund Actuarial Valuation as of October 1, 2024 and Actuarial Disclosures - DRAFT**

Dear Trustees:

The results of the DRAFT October 1, 2024 Annual Actuarial Valuation of the Jacksonville Police and Fire Pension Fund are presented in this report.

The computed contribution rates shown on page 1 may be considered as a minimum contribution rate that complies with the Board's funding policy. Users of this report should be aware that contributions made at that rate do not guarantee benefit security. Given the importance of benefit security to any retirement system, we suggest that contributions to the Fund in excess of those presented in this report be considered.

The contribution rate in this report is determined using the actuarial assumptions and methods disclosed in Section B of this report. This report does not include a robust assessment of the risks of future experience not meeting the actuarial assumptions, as the assessment of these risks was outside the scope of this assignment. We encourage a review and assessment of investment and other significant risks that may have a material effect on the Fund's financial condition.

This report was prepared at the request of the Board and is intended for use by the Retirement System and those designated or approved by the Board. This report may be provided to parties other than the Fund only in its entirety and only with the permission of the Board. GRS is not responsible for unauthorized use of this report.

The purposes of the valuation are to measure the Fund's funding progress, to determine the employer contribution rate for the fiscal year ending September 30, 2026, and to determine the actuarial information for Governmental Accounting Standards Board (GASB) Statement No. 67. This report should not be relied on for any purpose other than the purposes described herein. Determinations of financial results associated with the benefits described in this report, for purposes other than those identified above may be significantly different.

The findings in this report are based on data through July 1, 2024 and financial information through September 30, 2024. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or

demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the Fund's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

This valuation assumed the continuing ability of the plan sponsor to make the contributions necessary to fund this plan. A determination regarding whether or not the plan sponsor is actually able to do so is outside our scope of expertise and was not performed.

The actuarial information for GASB Statement No. 67 is intended to assist in preparation of the financial statements of the Plan. Financial statements are the responsibility of management, subject to the auditor's review. Please let us know if the auditor recommends any changes. Our calculation of the Net Pension Liability associated with the benefits described in this report was performed for the purpose of satisfying the requirements of GASB Statement No. 67. The Net Pension Liability is not an appropriate measure for measuring the sufficiency of plan assets to cover the estimated cost of settling the employer's benefit obligation. The Net Pension Liability is not an appropriate measure for assessing the need for or amount of future employer contributions. A calculation of the plan's liability for purposes other than satisfying the requirements of GASB Statement No. 67 may produce significantly different results.

The valuation was based upon information furnished by the Executive Director concerning Retirement Plan benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We checked for internal and year-to-year consistency, but did not otherwise audit the data. We are not responsible for the accuracy or completeness of the information provided by the Executive Director.

In addition, this report was prepared using certain assumptions and methods approved by the Board and prescribed by the Florida Statutes as described in the section of this report entitled Actuarial Assumptions and Cost Methods. The investment return assumption was prescribed by the Board. The mortality rates were prescribed by law in accordance with Florida House Bill 1309 (codified in Chapter 2015-157). The prescribed methods include the use of an initial 30-year amortization period for amortizing the unfunded liability as required under Florida Statute 112.64(6)(a), the recognition of the present value of future Pension Liability Surtax proceeds as required by Florida Statute 112.64(6), and the use of a payroll growth assumption to amortize the unfunded liability as required under Florida Statute 112.64(6)(b). Additional information and disclosures regarding these prescribed methods can be found on pages 4 and 5 of this actuarial valuation report. The combined effect of the actuarial assumptions used in this report, excluding prescribed assumptions or methods set by law, is expected to have no significant bias (i.e., not significantly optimistic or pessimistic).

This report was prepared using ProVal's valuation model, a software product of Winklevoss Technologies. We are relying on the ProVal model. We performed tests of the ProVal model with this assignment and made a reasonable attempt to understand the developer's intended purpose of, general



operation of, major sensitivities and dependencies within, and key strengths and limitations of the ProVal model. In our professional judgment, the ProVal valuation model has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses.

This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Jacksonville Police and Fire Pension Fund as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, with the Actuarial Standards of Practice issued by the Actuarial Standards Board and with applicable statutes.

Peter N. Strong and Jeffrey Amrose are members of the American Academy of Actuaries. These actuaries meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

This actuarial valuation and/or cost determination was prepared and completed by us or under our direct supervision, and we acknowledge responsibility for the results. To the best of our knowledge, the results are complete and accurate. In our opinion, the techniques and assumptions used are reasonable, meet the requirements and intent of Part VII, Chapter 112, Florida Statutes, and are based on generally accepted actuarial principles and practices, with some exceptions noted on pages 4 and 5 under the section entitled "Disclosures Regarding the Pension Liability Surtax and Florida Statute 112.64(6)." There is no benefit or expense to be provided by the plan and/or paid from the Fund's assets for which liabilities or current costs have not been established or otherwise taken into account in the valuation. All known events or trends which may require a material increase in plan costs or required contribution rates have been taken into account in the valuation.

Gabriel, Roeder, Smith & Company will be pleased to review this valuation report with the Board of Trustees and to answer any questions pertaining to the valuation.

Respectfully submitted,

GABRIEL, ROEDER, SMITH AND COMPANY



Peter N. Strong, FSA, FCA, MAAA  
Enrolled Actuary No. 23-6975  
Senior Consultant & Actuary



Jeffrey Amrose, FCA, MAAA  
Enrolled Actuary No. 23-6599  
Senior Consultant & Actuary



# TABLE OF CONTENTS

<u>Section</u>	<u>Title</u>	<u>Page</u>
<b>A</b>	Discussion of Valuation Results	
	1. Discussion of Valuation Results	1
	2. Risks Associated with the Measuring the Accrued Liability and Actuarially Determined Contribution	7
	3. Disclosure Requirements Under ASOP No. 4	10
	4. Original versus Current Projection of Pension Liability Surtax	12
<b>B</b>	Valuation Results	
	1. Participant Data	13
	2. Actuarially Determined Contribution	14
	3. Actuarial Value of Benefits and Assets	15
	4. Calculation of Employer Normal Cost	16
	5. Pension Liability Surtax Estimates	17
	6. Unfunded Actuarial Accrued Liability	19
	7. Actuarial Gains and Losses	21
	8. Recent History of Valuation Results	27
	9. Recent History of Required and Actual Contributions	28
	10. Actuarial Assumptions and Cost Method	29
	11. Glossary of Terms	36
<b>C</b>	Pension Fund Information	
	1. Statement of Plan Assets at Market Value	39
	2. Reconciliation of Plan Assets	40
	3. Reserve Account Balances	41
	4. Actuarial Value of Assets	43
	5. Investment Rate of Return	44
<b>D</b>	Financial Accounting Information	
	1. FASB No. 35	45
	2. GASB No. 67	46
<b>E</b>	Projection of Assets, Liabilities and Contribution Requirements	
	1. 40-Year Projections	60
<b>F</b>	Miscellaneous Information	
	1. Reconciliation of Membership Data	64
	2. Age/Service/Salary Distributions	65
<b>G</b>	Summary of Plan Provisions	67

## **SECTION A**

---

### **DISCUSSION OF VALUATION RESULTS**

# DISCUSSION OF VALUATION RESULTS

## Closed Plan

In reviewing this Report, it is important for the reader to keep in mind that this Fund has been closed to new members since October 1, 2017. One consequence of this closure is that the annual payment on the unfunded accrued liability will tend to increase as a percentage of covered payroll over time, as such payroll decreases from year to year. Starting with the fiscal year ending September 30, 2018, it is our understanding that the Plan sponsor has been and will continue to be contributing the dollar amount of the calculated required employer contribution.

## Comparison of Required Employer Contributions

The required employer contribution developed in this year's valuation is compared below to the last valuation.

	<b>For FYE 9/30/26 Based on 10/1/2024 Valuation (if contributed on 10/1/2025)</b>	<b>For FYE 9/30/25 Based on 10/1/2023 Valuation (if contributed on 10/1/2024)</b>
Required Employer Contribution*	\$ 201,398,829	\$ 178,068,316
As % of Contribution Year Payroll	119.37 %	110.23 %

\*This does not reflect the potential use of reserves that have been allocated to the City that may be used to offset the City's required contribution amount. Approximately \$7.0 million in reserves are available for use by the City as of October 1, 2024.

For FYE 9/30/2026 (calculated as of 10/1/2025), if the Pension Liability Surtax did not exist, the required City contribution would be \$308.04 million (assuming no other assumption or method changes).

## Payment of Required Contribution

The required employer contributions developed in this valuation have been calculated as though the payment is contributed on October 1.

The actual total employer contribution recognized for the year ending September 30, 2024 was \$174,039,920. The required employer contributions for the year ending September 30, 2024 were \$174,039,920.

## Revisions in Benefits

There have been no changes in benefits since the previous valuation.



## **Revisions in Funding Policy**

There have been no changes in funding policy since the previous valuation.

## **Revisions in Actuarial Assumptions and Methods**

Assumed salary increases for the years 2024-2026 were changed to include the negotiated across-the-board salary increases of 12% for Firefighters and 13% for Police Officers effective in October 2024 and 5% per year effective in October 2025 and October 2026. These temporary additional salary increases have been added to the current assumed merit and seniority salary increases (temporarily replacing the inflation component of the salary increase assumption of 2.25% per year). This assumption change resulted in an increase of the required Employer Contribution of \$21,215,598.

The amortization period for new amortization bases is reduced from 24 years to 23 years this year, and it will continue to be reduced by one year each year until reaching 15 years.

There have been no other changes in actuarial assumptions or methods since the previous valuation.

## **Actuarial Experience**

There were net actuarial experience gains totaling approximately \$1.5 million during the past year, which means that actual experience was more favorable than expected.

Investment experience (on the net Actuarial Value of Assets) resulted in an experience gain (net of reserves) of about \$33.2 million. The investment return on the smoothed Actuarial Value of Assets was 8.04% compared to the assumed annual investment return of 6.50%. (The net money-weighted investment return on the Market Value of Assets was 20.42%, as reported by the Plan's investment consultant.) Investment gains and losses are spread over a five-year smoothing period, with gains and losses from prior years being smoothed into the current year.

There was an experience gain due to changes in the projected Pension Liability Surtax proceeds (of approximately \$7.0 million). This was primarily caused by a 6.00% increase in the smoothed surtax revenue from FY 2023 to FY 2024. The surtax revenue is assumed to increase by 4.25% per year. The majority of the positive effect of the 6.00% increase was offset by a decrease in the PFPF's pro rata share of the Proceeds since the previous valuation. The allocation percentage is updated each year by the City based on the relative unfunded actuarial liabilities for all of the City's pension plans. Based on each pension plan's respective October 1, 2023 actuarial valuation, the pro rata share of the Proceeds for the Jacksonville Police and Fire Pension Fund is 58.3% as of October 1, 2023. In the previous valuation, the pro rata share of the Proceeds was 59.0%. If the pro rata share had remained at 59.0%, the experience gain due to the change in the projected surtax proceeds would have been approximately \$24.6 million instead of \$7.0 million.

Offsetting most of the experience gains described above was a net experience loss from demographic sources (of approximately \$38.7 million). There were demographic experience losses due to higher retirement experience than expected (150 actual retirements versus 102 expected) with higher than expected retirement benefits (approximately \$16 million of the experience loss), fewer terminations than expected (8 actual terminations versus 16 expected) (approximately \$1 million of the experience loss),





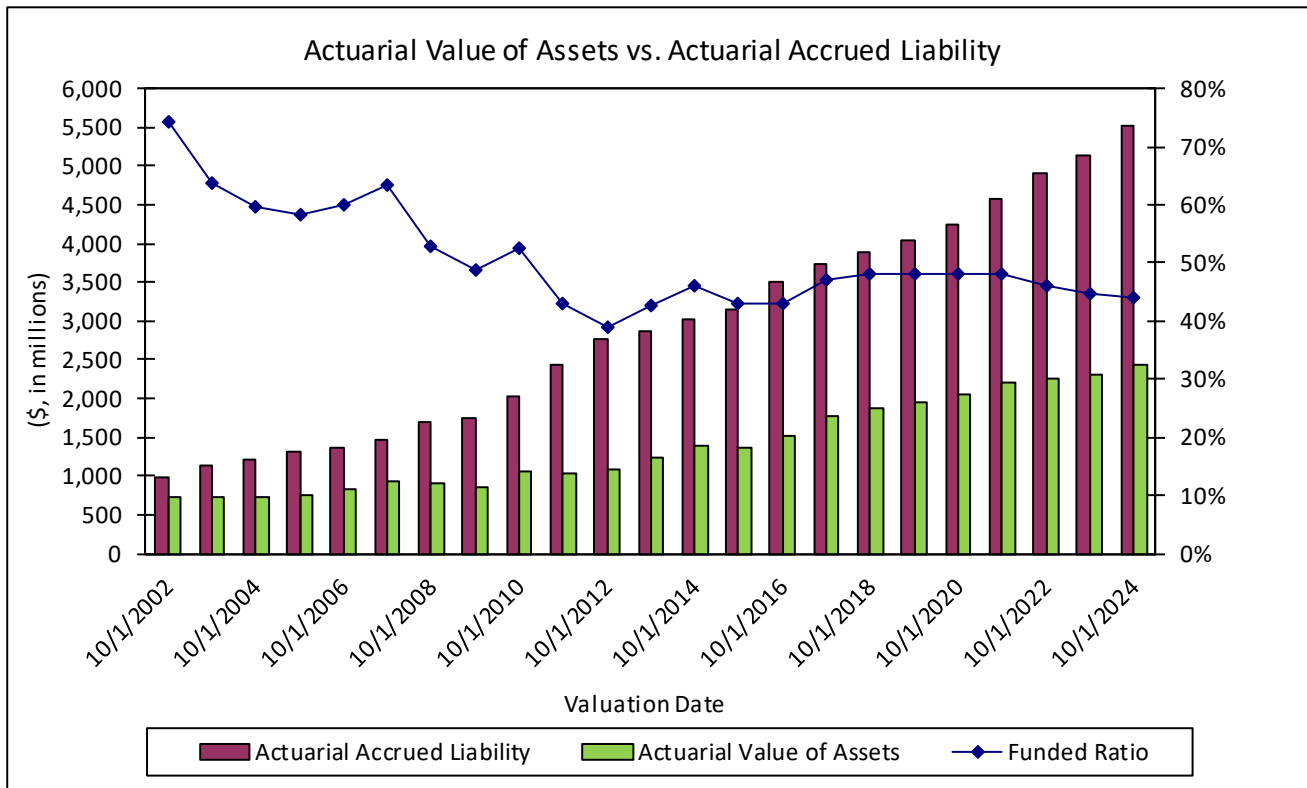
higher salary increases than expected for members with over 15 years of service (3.5% actual versus 3.1% assumed) (approximately \$2 million of the experience loss), lower inactive mortality experience than expected (approximately \$4 million of the experience loss), a higher percentage of newer retiree deaths than expected having surviving spouses (75% actual versus 65% assumed) and younger than expected ages for those surviving spouses (approximately 7 years younger on average versus 5 years assumed) (approximately \$10 million of the experience loss), and data adjustments (primarily due to service purchases) (approximately \$6 million).

The above net actuarial experience gain caused the required City contribution to decrease by \$106,976.

Reported expenses in the draft trial balance (administrative plus investment expenses) were \$5.93 million higher than reported expenses for fiscal year 2023 (\$20,737,092 versus \$14,808,136). Since these expenses are added to the Normal Cost, this increase causes a \$6.0 million increase in the required City Contribution.

### Funded Ratio

The funded ratio is equal to the actuarial value of assets divided by the actuarial accrued (past service) liability. This year’s funded ratio is 44.10% compared to 44.74% last year. Prior to reflecting the assumption change, the funded ratio would have been 45.56%. Below is a historical comparison of the total actuarial value of assets versus the total actuarial accrued liability:



## Analysis of Employer Contribution

The components of change in the required City contribution are as follows:

<b>Required Contribution Payable October 1, 2024</b>	<b>\$ 178,068,316</b>
Experience (Gains) or Losses	
Investment Experience (Return on Actuarial Value of Assets)	(2,408,905)
Change in Projected Pension Liability Surtax Experience	(506,137)
Other Sources Experience	2,808,066
Revision in Assumptions	21,215,598
Revision in Methods	-
Amortization Payment on UAAL	611,876
Change in Net Employer Normal Cost	(4,393,053)
Administrative/Investment Expenses	6,003,068
Benefit Changes	-
<b>Required Contribution Payable October 1, 2025</b>	<b>\$ 201,398,829</b>

The change in the contribution amount attributed to the Amortization Payment on the UAAL was caused by the 1.25% payroll growth rate used in the UAAL amortization (UAAL payments are scheduled to increase by 1.25% per year) and the contribution lag (the contribution amount determined in the October 1, 2022 actuarial valuation was contributed during the fiscal year ending September 30, 2024).

## Required Contributions in Later Years

It is important to keep in mind that under the asset smoothing method, gains and losses are recognized over five years. As of September 30, 2024, the market value of assets exceeded the actuarial value by \$160,617,307. This difference will be gradually recognized in the absence of offsetting losses. In turn, the computed employer contribution rate is expected to decrease by approximately \$11.7 million.

## Relationship to Market Value

If Market Value had been the basis for the valuation, the required City contribution would have been \$189,735,758 and the funded ratio would have been 47.01%. In the absence of other gains and losses or other changes, the City contribution rate is expected to decrease towards this level over the next few years.

## Disclosures Regarding the Pension Liability Surtax and Florida Statute 112.64(6)

The annual pension liability surtax revenue is projected to increase 4.25% annually from calendar year 2024 to calendar year 2060. This assumption was set by the City of Jacksonville. Assumptions regarding future growth in municipal sales tax revenues fall outside of our area of expertise. Since municipal finance projections fall outside of our area of expertise, we are unable to assess the reasonableness of the City's 4.25% annual surtax growth assumption. However, it should be noted that actual surtax revenue growth over the past eight years has exceeded this assumption (averaging 5.51% per year, reflecting smoothing effective with the October 1, 2022 actuarial valuation). It should also be noted that price inflation, as measured by the change in the CPI-U index, has been higher than assumed over the past eight



years (averaging 3.39% per year versus the current assumption of 2.25%).

Ordinance 2017-257 implemented changes required to reflect the present value of the City of Jacksonville's pension liability surtax, in accordance with Florida Statute 112.64(6). Reflecting the pension liability surtax offsets the Fund's current UAAL by the present value of a future revenue stream (generated by the pension liability surtax) to be received by the Fund in calendar years 2031 through 2060. This delays the Fund's projected full funding date until almost the fiscal year 2060 and results in annual contributions to the Fund in fiscal years 2018 through 2030 which are significantly lower than the recommended contribution levels would be to ensure the Fund accumulates adequate assets to make all benefit payments (in the absence of the pension liability surtax). The maintenance of a minimum liquidity ratio (defined as the market value of assets divided by the annual benefit payments), which is 5.0 as described in Ordinance 2017-259, will likely help prevent an insolvency in the event the Fund incurs adverse experience, but this is dependent upon the minimum liquidity ratio being adhered to. A full analysis of the impact of the liquidity ratio was outside of the scope of this assignment.

We are unable to assess the risk that the timing and/or amount of future pension liability surtax proceeds may significantly deviate from the projections (due to legal challenges, economic hardships, or any other reason). Any such deviations could have a significant impact on the required contribution amount shown herein and on the future solvency risk that the Fund's future assets may be insufficient to cover all future benefit payments.

The long-term payroll growth assumption for purposes of amortizing the UAAL and projecting the contribution amount to the contribution year (the year beginning one year after the valuation date) is 1.25%. For a closed pension fund, it is our recommendation to use a 0% payroll growth assumption. Based on our understanding, Florida Statute 112.64(6)(b) requires the future payroll of police officers and firefighters expected to be hired after October 1, 2017 (who will not become members of the Fund) to be included when setting this assumption. This is a prescribed method under Florida Statutes for setting this assumption which deviates from our recommended practice for closed pension funds. The 1.25% assumption was set based on the projected 10-year compound average payroll growth rate through 2021. Please refer to our experience study report on the payroll growth assumption dated April 4, 2017 for additional information and background on this assumption.

In conjunction with offsetting the UAAL by the present value of the pension liability surtax, Florida Statute 112.64(6)(a) requires the use of an initial 30-year amortization period for amortizing the UAAL. It is important to note that the average expected future service of current active members is 7.40 years, which is far less than the required initial 30-year amortization period. Though required, a long amortization period carries more risk, especially in a closed plan, and the funded status could deteriorate in the short run. Furthermore, amortizing the UAAL over an initial period of 30 years (currently 23 years) is likely to transfer costs to future taxpayers, which would deviate from language in Florida Statute 112.61 which says *"Accordingly, except as herein provided, it is the intent of this act to prohibit the use of any procedure, methodology, or assumptions the effect of which is to transfer to future taxpayers any portion of the costs which may reasonably have been expected to be paid by the current taxpayers."* When combined with advance recognition of the pension liability surtax, it is our opinion that current costs are likely to be transferred to future taxpayers under this arrangement.



## Conclusion

It is important to note that the Fund's assets are insufficient to cover the actuarial liabilities for inactive members. As of October 1, 2024 the market value of assets, net of reserves, is approximately \$2.59 billion, and the actuarial liability for current inactive members is approximately \$4.19 billion. Given the low funded ratio and the fact that the pension liability surtax revenues will not be received until more than 6 years from now, it is advisable to consider making contributions to the Fund in excess of the minimum required contribution shown in this report.

In consideration of Actuarial Standard of Practice No. 51 regarding the assessment of risks, which is addressed on the next three pages, we recommend a numerical risk assessment to be conducted at least once every 3 to 5 years.

The remainder of this Report includes detailed actuarial valuation results, information relating to the pension fund, financial accounting information, miscellaneous employee data and summaries of Plan provisions.



## **RISKS ASSOCIATED WITH THE MEASURING THE ACCRUED LIABILITY AND ACTUARIALLY DETERMINED CONTRIBUTION**

The determination of the accrued liability and the actuarially determined contribution requires the use of assumptions regarding future economic and demographic experience. Risk measures, as illustrated in this report, are intended to aid in the understanding of the effects of future experience differing from the assumptions used in the course of the actuarial valuation. Risk measures may also help with illustrating the potential volatility in the accrued liability and the actuarially determined contribution that result from the differences between actual experience and the actuarial assumptions.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions due to changing conditions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period, or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

Examples of risk that may reasonably be anticipated to significantly affect the plan's future financial condition include:

1. Investment risk – actual investment returns may differ from the expected returns;
2. Asset/Liability mismatch – changes in asset values may not match changes in liabilities, thereby altering the gap between the accrued liability and assets and consequently altering the funded status and contribution requirements;
3. Contribution risk – actual contributions may differ from expected future contributions. For example, actual contributions may not be made in accordance with the plan's funding policy or material changes may occur in the anticipated number of covered employees, covered payroll, or other relevant contribution base;
4. Salary and Payroll risk – actual salaries and total payroll may differ from expected, resulting in actual future accrued liability and contributions differing from expected;
5. Longevity risk – members may live longer or shorter than expected and receive pensions for a period of time other than assumed; and
6. Other demographic risks – members may terminate, retire or become disabled at times or with benefits other than assumed resulting in actual future accrued liability and contributions differing from expected.

The effects of certain trends in experience can generally be anticipated. For example, if the investment return since the most recent actuarial valuation is less (or more) than the assumed rate, the cost of the plan can be expected to increase (or decrease). Likewise, if longevity is improving (or worsening), increases (or decreases) in cost can be anticipated.

The computed contribution rate shown on page 1 may be considered as a minimum contribution rate that complies with the Board's funding policy. The timely receipt of the actuarially determined contributions is critical to support the financial health of the plan. Users of this report should be aware that contributions made at the actuarially determined rate do not necessarily guarantee benefit security.



## PLAN MATURITY MEASURES

Risks facing a pension plan evolve over time. A young plan with virtually no investments and paying few benefits may experience little investment risk. An older plan with a large number of members in pay status and a significant trust may be much more exposed to investment risk. Generally accepted plan maturity measures include the following:

	<u>2024</u>	<u>2023</u>
Ratio of the net market value of assets to payroll	15.55	13.74
Ratio of actuarial accrued liability to payroll	33.09	32.18
Ratio of actives to retirees and beneficiaries	0.45	0.51
Ratio of net cash flow to market value of assets (net of reserves)	(1.9%)	(2.6%)
Duration of the actuarial accrued liability	15.04	14.94

### RATIO OF MARKET VALUE OF ASSETS TO PAYROLL

The relationship between assets and payroll is a useful indicator of the potential volatility of contributions. For example, if the market value of assets is 2.0 times the payroll, a return on assets 5% different than assumed would equal 10% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates a higher (lower) or increasing (decreasing) volatility in plan sponsor contributions as a percentage of payroll. We note that this ratio for the Jacksonville Police and Fire Pension Fund (15.55) is higher than it is for most other plans we work with, which means the required contributions as a percentage of payroll are more volatile than most other plans.

### RATIO OF ACTUARIAL ACCRUED LIABILITY TO PAYROLL

The relationship between actuarial accrued liability and payroll is a useful indicator of the potential volatility of contributions for a fully funded plan. A funding policy that targets a funded ratio of 100% is expected to result in the ratio of assets to payroll and the ratio of liability to payroll converging over time.

The ratio of liability to payroll may also be used as a measure of sensitivity of the liability itself. For example, if the actuarial accrued liability is 2.5 times the payroll, a change in liability 2% other than assumed would equal 5% of payroll. A higher (lower) or increasing (decreasing) level of this maturity measure generally indicates a higher (lower) or increasing (decreasing) volatility in liability (and also plan sponsor contributions) as a percentage of payroll. We note that this ratio for the Jacksonville Police and Fire Pension Fund (33.09) is significantly higher than it is for most of the plans we work with, which means the changes in liability and required contributions are more volatile than most other plans.

### RATIO OF ACTIVES TO RETIREES AND BENEFICIARIES

A young plan with many active members and few retirees will have a high ratio of active to retirees. A mature open plan may have close to the same number of actives to retirees resulting in a ratio near 1.0. A super-mature or closed plan may have significantly more retirees than actives resulting in a ratio below 1.0. This ratio for the Jacksonville Police and Fire Pension Fund (0.45) is less than 1.0, indicating it is super-mature. The fact that the Fund is closed has not had much impact on this ratio yet.



## **RATIO OF NET CASH FLOW TO MARKET VALUE OF ASSETS**

A positive net cash flow means contributions exceed benefits and expenses. A negative cash flow means existing funds are being used to make payments. A certain amount of negative net cash flow is generally expected to occur when benefits are prefunded through a qualified trust. Large negative net cash flows as a percent of assets may indicate a super-mature plan or a need for additional contributions.

## **DURATION OF ACTUARIAL ACCRUED LIABILITY**

The duration of the actuarial accrued liability may be used to approximate the sensitivity to a 1% change in the assumed rate of return. For example, duration of 10 indicates that the liability would increase approximately 10% if the assumed rate of return were lowered 1%.

## **ADDITIONAL RISK ASSESSMENT**

Additional risk assessment is outside the scope of the annual actuarial valuation. Additional assessment may include scenario tests, sensitivity tests, stochastic modeling, stress tests, and a comparison of the present value of accrued benefits at low-risk discount rates with the actuarial accrued liability. In consideration of the size of the Jacksonville Police and Fire Pension Fund and the long-term manner in which it is being funded (in part by pension liability surtax proceeds through 2060), we recommend a numerical risk assessment be conducted at least once every 3 to 5 years.

## DISCLOSURE REQUIREMENTS – ACTUARIAL STANDARD OF PRACTICE (ASOP) NO. 4

### LOW-DEFAULT-RISK OBLIGATION MEASURE

Actuarial Standards of Practice No. 4 (ASOP No. 4) was revised and reissued in December 2021 by the Actuarial Standards Board (ASB). It includes a calculation called a low-default-risk obligation measure (LDROM) to be prepared and issued annually for defined benefit pension plans. The transmittal memorandum for ASOP No. 4 includes the following explanation:

“The ASB believes that the calculation and disclosure of this measure provides appropriate, useful information for the intended user regarding the funded status of a pension plan. The calculation and disclosure of this additional measure is not intended to suggest that this is the “right” liability measure for a pension plan. However, the ASB does believe that this additional disclosure provides a more complete assessment of a plan’s funded status and provides additional information regarding the security of benefits that members have earned as of the measurement date.”

The following information has been prepared in compliance with this requirement. Unless otherwise noted, the measurement date, actuarial cost methods, and assumptions used are the same as for the funding valuation covered in this actuarial valuation report.

- A. Low-default-risk Obligation Measure of benefits earned as of the measurement date: \$8,278,800,249
- B. Discount rate used to calculate the LDROM: 3.81% based on Bond Buyer “20-Bond GO Index” as of September 26, 2024
- C. Other significant assumptions that differ from those used for the funding valuation: none
- D. Actuarial cost method used to calculate the LDROM: Individual Entry-Age Actuarial Cost Method
- E. Valuation procedures to value any significant plan provisions that are difficult to measure using traditional valuation procedures, and that differ from the procedures used in the funding valuation: none
- F. Commentary to help the intended user understand the significance of the LDROM with respect to the funded status of the Fund, plan contributions, and the security of participant benefits: The LDROM is a market-based measurement of the pension obligation. It estimates the amount the Fund would need to invest in low risk securities to provide the benefits with greater certainty. This measure may not be appropriate for assessing the need for or amount of future contributions. This measure may not be appropriate for assessing the sufficiency of fund assets to cover the estimated cost of settling the Fund’s benefit obligation.

**The difference between the two measures (the Valuation Actuarial Accrued Liability and the LDROM) is one illustration of the savings the sponsor anticipates by taking on the risk in a diversified portfolio.**





## DISCLOSURE REQUIREMENTS – ACTUARIAL STANDARD OF PRACTICE (ASOP) NO. 4

### REASONABLE ACTUARIALLY DETERMINED CONTRIBUTION

ASOP No. 4 also requires a separate disclosure of a reasonable actuarially determined contribution that does not include any prescribed assumptions or methods set by law. The calculation of this contribution amount must include reasonable assumptions that in combination have no significant bias, reasonable amortization and asset valuation methods, and a contribution allocation procedure that is consistent with the Fund accumulating sufficient assets to pay all future benefits when due.

Since the Fund is closed to new members (and has been since October 1, 2017), it would be reasonable to target fully funding the Pension Fund over the next 20 years using level dollar amortization (versus level percent of pay amortization; i.e., not incorporating a payroll growth assumption that reflects the future payroll growth of all police officer and firefighter members, including those hired after October 1, 2017 who are not members of the Fund). It would also be reasonable to prevent near-term deterioration in the Fund's funded status, or growth in the unfunded actuarial accrued liability (UAAL), which is often referred to as negative amortization.

For actuarial valuation purposes, as required by City Ordinance, the present value of the projected Pension Liability Surtax proceeds expected to be received in years 2031 through 2060 is required to be calculated and offset against the Fund's UAAL before the amortization payment on the UAAL is calculated. This arrangement is unique to the City of Jacksonville. While the Pension Liability Surtax is a dedicated revenue source to be deposited into the pension fund, it delays the projected full funding date well beyond 20 years and results in near-term deterioration of the Fund's funded status. The assumed rate of increase in the Pension Liability Surtax of 4.25% per year seems reasonable based on recent actual surtax growth experience, although recent growth has been amplified by higher than normal inflation, so it is reasonable to base the projection of future Pension Liability Surtax revenue on the current smoothed surtax proceeds. For purposes of this disclosure, we are reflecting the present value of the projected surtax proceeds through 2043. Doing so narrowly prevents the projected unfunded actuarial accrued liability of the Fund from increasing over the next few years (i.e., it prevents negative amortization). The present value of the projected Pension Liability Surtax revenue through 2043 is \$739,763,369.

In our opinion, all other assumptions and methods used for valuation purposes are reasonable for the purposes of this disclosure and have no significant bias in the aggregate.

Using a 20-year level dollar amortization of the net unfunded actuarial liability (net of the present value of the projected Pension Liability Surtax proceeds expected to be received through 2043), along with all of the other assumptions and methods disclosed in this actuarial valuation report, a reasonable actuarially determined contribution for fiscal year 2026, payable on October 1, 2025, would be \$280,853,784. It is important to bear in mind that this is a hypothetical number for disclosure purposes which ignores a large portion of the Pension Liability Surtax Revenue (projected to be received after 2043).



## ORIGINAL VERSUS CURRENT PROJECTION OF PENSION LIABILITY SURTAX

PENSION LIABILITY SURTAX ESTIMATES 4.25% GROWTH						
Fiscal Year	Original Projection of Pension Liability Surtax			Current Projection of <i>Smoothed</i> Pension Liability Surtax		
	Projected Total 1/2-Penny Sales Tax*	Projected Pension Liability Surtax	63% of Revenue for Police and Fire Pension Fund	Projected Total 1/2-Penny Sales Tax*	Projected Pension Liability Surtax	58.3% of Revenue for Police and Fire Pension Fund
2016	<b>\$ 82,875,723</b>			<b>\$ 82,875,723</b>		
2017	<i>86,397,941</i>			<b>86,148,000</b>		
2018	<i>90,069,854</i>			<b>91,529,277</b>		
2019	<i>93,897,823</i>			<b>95,804,756</b>		
2020	<i>97,888,480</i>			<b>93,742,144</b>		
2021	<i>102,048,740</i>			<b>107,207,059</b>		
2022	<i>106,385,812</i>			<b>112,840,490</b>		
2023	<i>110,907,209</i>			<b>120,073,358</b>		
2024	<i>115,620,765</i>			<b>127,283,575</b>		
⋮	⋮			⋮		
⋮	⋮			⋮		
2031	<i>154,727,777</i>	\$ 116,045,832	\$ 73,108,874	<i>170,335,359</i>	\$ 127,751,519	\$ 74,479,136
2032	<i>161,303,707</i>	161,303,707	101,621,335	<i>177,574,612</i>	177,574,612	103,525,999
⋮	⋮	⋮	⋮	⋮	⋮	⋮
⋮	⋮	⋮	⋮	⋮	⋮	⋮
2060	<i>517,337,703</i>	517,337,703	325,922,753	<i>569,522,198</i>	569,522,198	332,031,441
2061	<i>539,324,556</i>	134,831,139	84,943,617	<i>593,726,891</i>	148,431,723	86,535,694
<b>Total Proceeds from 1/1/31-12/31/60:</b>		<b>\$ 9,105,159,243</b>	<b>\$ 5,736,250,323</b>		<b>\$10,068,001,586</b>	<b>\$ 5,869,644,925</b>
<b>Net Present Value** of Proceeds as of 10/1/24:</b>		<b>\$ 2,288,177,772</b>	<b>\$ 1,441,551,997</b>		<b>\$ 2,518,989,098</b>	<b>\$ 1,468,570,644</b>
<i>Change in Total Proceeds from Original to Current Projection:</i>					\$ 962,842,343	\$ 133,394,602
<i>Change in Net Present Value of Proceeds from Original to Current Projection:</i>					\$ 230,811,326	\$ 27,018,647

\*Numbers in **bold** are actual numbers; numbers in *italics* are projected. Beginning Fiscal Year 2022 the Projected Total 1/2-Penny Sales Tax uses a five-year smoothing method.

\*\* The Present Value of the Original Projection of Pension Liability Surtax has been adjusted using 6.50% interest rate.

The actual *smoothed* surtax revenue has increased by an average of 5.51% per year from FY 2016 to FY 2024, which is trending higher than the 4.25% assumption. Also, the percentage of the Pension Liability Surtax (PLS) allocated to the Police and Fire Fund (versus the City's other two pension plans) has declined from 63.0% (initially) to 58.3% (currently). The impact of these two variables on the required City contribution and the percentage of the Actuarial Accrued Liability (AAL) covered by the sum of current assets and the present value of the PLS proceeds are shown below:

	If Original Projection Held (4.25%/yr Growth; 63.0% Allocation)	Reflecting Smoothed PLS Growth (≈ 5.51%/yr); Original 63.0%	Reflecting Smoothed PLS Growth (≈ 5.51%/yr); Actual 58.3% Allocation
Required City Contribution Payable			
October 1, 2025	\$ 203,360,763	\$ 192,801,873	\$ 201,398,829
<i>Impact of Change on Valuation Results</i>	\$ (1,961,934)	\$ 8,596,956	N/A
Percentage of AAL covered by Assets and PLS	70.25 %	72.88 %	70.74 %
<i>Impact of Change on Valuation Results</i>	0.49 %	(2.14) %	N/A



**SECTION B**

---

**VALUATION RESULTS**

<b>PARTICIPANT DATA<sup>1</sup></b>			
	<b>October 1, 2024</b> <i>After Assumption Change</i>	<b>October 1, 2024</b> <i>Before Assumption Change</i>	<b>October 1, 2023</b>
<b>ACTIVE MEMBERS</b>			
Number	1,576	1,576	1,732
Annual Payroll	\$ 168,164,759	\$ 149,449,532	\$ 160,098,481
Average Annual Payroll	\$ 106,704	\$ 94,828	\$ 92,436
Average Age	42.6	42.6	42.2
Average Past Service	14.3	14.3	13.8
Average Age at Hire	28.3	28.3	28.4
<b>RETIREES, BENEFICIARIES &amp; DROP</b>			
Number	3,490	3,490	3,363
Annual Benefits <sup>2</sup>	\$ 229,934,254	\$ 229,934,254	\$ 216,243,779
Average Annual Benefit <sup>2</sup>	\$ 65,884	\$ 65,884	\$ 64,301
Average Age	65.2	65.2	65.1
<b>DISABILITY RETIREES</b>			
Number	46	46	47
Annual Benefits	\$ 2,277,629	\$ 2,277,629	\$ 2,217,490
Average Annual Benefit	\$ 49,514	\$ 49,514	\$ 47,181
Average Age	64.6	64.6	64.2
<b>TERMINATED VESTED MEMBERS</b>			
Number	91	91	100
Annual Benefits	\$ 1,669,598	\$ 1,669,598	\$ 1,900,270
Average Annual Benefit	\$ 18,347	\$ 18,347	\$ 19,003
Average Age	43.7	43.7	43.5

<sup>1</sup>Participant data is collected as of July 1.

<sup>2</sup>Not including distributions or installment payments from DROP accounts.



<b>ACTUARIALLY DETERMINED CONTRIBUTION (ADC)</b>			
A. Valuation Date	October 1, 2024 <i>After Assumption Changes</i>	October 1, 2024 <i>Before Assumption Changes</i>	October 1, 2023
B. ADC to Be Paid During Fiscal Year Ending	9/30/2026	9/30/2026	9/30/2025
C. Assumed Date of Employer Contributions	10/1/2025	10/1/2025	10/1/2024
D. Expected Covered Payroll for the Year Beginning on the Valuation Date	\$ 166,632,100	\$ 148,090,043	\$ 159,542,895
E. Annual Payment to Amortize Unfunded Actuarial Liability	117,656,897	105,011,325	104,512,658
F. Employer Normal Cost	81,255,527	72,947,422	71,357,284
G. ADC if Paid on the Valuation Date: E + F	198,912,424	177,958,747	175,869,942
H. Contributions from Other Sources	0	0	0
I. City Contribution: G - H as % of Covered Payroll	198,912,424 119.37 %	177,958,747 120.17 %	175,869,942 110.23 %
J. Actuarially Determined Contribution (ADC) in Contribution Year*	201,398,829	180,183,231	178,068,316

\* = City Contribution (item G.) x (1+payroll growth of 1.25%).



**ACTUARIAL VALUE OF BENEFITS AND ASSETS**

A. Valuation Date	October 1, 2024 <i>After Assumption Changes</i>	October 1, 2024 <i>Before Assumption Changes</i>	October 1, 2023
<b>B. Actuarial Present Value of All Projected Benefits for</b>			
1. Active Members			
a. Service Retirement Benefits	\$ 1,817,127,888	1,555,458,847	\$ 1,646,520,776
b. Vesting Benefits	54,634,797	47,047,785	51,362,437
c. Disability Benefits	18,588,911	15,951,857	17,504,569
d. Preretirement Death Benefits	9,393,921	8,083,642	8,926,873
e. Return of Member Contributions	492,124	461,698	495,661
f. Total	<u>1,900,237,641</u>	<u>1,627,003,829</u>	<u>1,724,810,316</u>
2. Inactive Members			
a. Service Retirees	2,920,933,967	2,920,933,967	2,884,140,226
b. DROP Retirees	907,291,212	907,291,212	716,587,675
c. Disability Retirees	33,931,048	33,931,048	33,669,774
d. Beneficiaries	295,986,896	295,986,896	268,419,775
e. Terminated Vested Members	27,719,350	27,719,350	32,044,982
f. Total	<u>4,185,862,473</u>	<u>4,185,862,473</u>	<u>3,934,862,432</u>
3. Total for All Members	6,086,100,114	5,812,866,302	5,659,672,748
<b>C. Actuarial Accrued (Past Service) Liability</b>			
1. Active Members	1,327,451,699	1,151,127,082	1,198,899,349
2. Inactive Members	4,185,862,473	4,185,862,473	3,934,862,432
3. Total for All Members	<u>5,513,314,172</u>	<u>5,336,989,555</u>	<u>5,133,761,781</u>
<b>D. Actuarial Value of Accumulated Plan Benefits per FASB No. 35</b>	5,328,650,440	5,202,658,686	4,992,481,312
<b>E. Plan Assets</b>			
1. Gross Market Value of Assets	2,615,440,137	2,615,440,137	2,228,344,325
2. Reserve Accounts, including Share Plan	(19,597,333)	(19,597,333)	(32,906,463)
3. Sr. Staff Plan Assets	(3,902,404)	(3,902,404)	(3,584,008)
4. Net Market Value of Assets	<u>2,591,940,400</u>	<u>2,591,940,400</u>	<u>2,191,853,854</u>
5. Actuarial Value of Assets	2,431,323,093	2,431,323,093	2,297,064,315
<b>F. Total Unfunded Actuarial Accrued Liability: C3 - E5</b>	3,081,991,079	2,905,666,462	2,836,697,466
<b>G. Net Present Value of Total Pension Liability Surtax Proceeds According to Pro Rata Share</b>	1,468,570,644	1,468,570,644	1,372,394,747
<b>H. Net Unfunded Actuarial Accrued Liability: F - G</b>	1,613,420,435	1,437,095,818	1,464,302,719
<b>I. Actuarial Present Value of Projected Covered Payroll</b>	1,209,710,178	1,030,590,122	1,139,898,287
<b>J. Funded Ratio: E5 / C3</b>	44.10%	45.56%	44.74%
<b>K. Percent of Actuarial Accrued Liability Covered by Assets and Total Pension Liability Surtax Proceeds: (G + E5) / C3</b>	70.74%	73.07%	71.48%
<b>L. Liquidity Ratio</b>			
1. DROP Balance as of Valuation Date	448,347,838	448,347,838	416,397,298
2. Net Market Value (Net of DROP): E4 - L1	2,143,592,562	2,143,592,562	1,775,456,556
3. Annual Benefit Payments in Pay Status	232,211,883	232,211,883	218,461,269
4. Ratio: L2 : L3	9.23 : 1	9.23 : 1	8.13 : 1

\*Inactive members liabilities include DROP Account Balances, split based on status as of June 1.



**CALCULATION OF EMPLOYER NORMAL COST**

A. Valuation Date	October 1, 2024 <i>After Assumption Changes</i>	October 1, 2024 <i>Before Assumption Changes</i>	October 1, 2023
B. Expected Covered Payroll for the Year Beginning on the Valuation Date	\$ 166,632,100	\$ 148,090,043	\$ 159,542,895
C. Normal Cost (Individual Entry Age) for			
1. Service Retirement Benefits	70,717,113	61,270,295	66,002,382
2. Vesting Benefits	5,277,992	4,688,108	4,996,642
3. Disability Benefits	1,438,773	1,270,829	1,385,891
4. Preretirement Death Benefits	959,619	853,042	922,444
5. Return of Member Contributions	<u>124,278</u>	<u>124,536</u>	<u>132,680</u>
6. Total for Future Benefits	78,517,775	68,206,810	73,440,039
7. Assumed Amount for Expenses	<u>20,737,092</u>	<u>20,737,092</u>	<u>14,808,136</u>
8. Total Normal Cost	99,254,867	88,943,902	88,248,175
D. Expected Member (including DROP) Contribution	17,999,340	15,996,480	16,890,891
E. Employer Normal Cost: C8 - D	81,255,527	72,947,422	71,357,284
F. Employer Normal Cost as a % of Covered Payroll: E / B	48.76%	49.26%	44.73%

## Smoothed Total Annual Pension Liability Surtax Revenue

Valuation Date - October 1	2023	2024	2025	2026	2027	2028
A. Smoothed Total Annual PLS Revenue - Previous Year	\$112,840,490	\$120,073,358	\$ -	\$ -	\$ -	\$ -
B. Actual Total Annual PLS Revenue - Current Year	128,012,366	131,031,172	-	-	-	-
C. Actual Total Annual PLS Revenue - Previous Year	117,149,012	128,012,366	-	-	-	-
D. Increase in Total Annual PLS Revenue						
D1. Actual (\$) Increase in Total PLS Revenue: B - C	10,863,354	3,018,806	-	-	-	-
D2. Assumed Rate (%) of Increase	4.25%	4.25%	-	-	-	-
D3. Assumed (\$) Increase in Total PLS Revenue: D2*C	4,978,833	5,440,526	-	-	-	-
D4. Amount Subject to Phase-In: D1 – D3	5,884,521	(2,421,720)	-	-	-	-
E. Phase-In Recognition of PLS Revenue Excess/(Shortfall)						
E1. Current Year: 0.2 x D4	1,176,904	(484,344)	-	-	-	-
E2. First Prior Year	1,077,131	1,176,904	(484,344)	-	-	-
E3. Second Prior Year	-	1,077,131	1,176,904	(484,344)	-	-
E4. Third Prior Year	-	-	1,077,131	1,176,904	(484,344)	-
E5. Fourth Prior Year	-	-	-	1,077,129	1,176,905	(484,344)
E6. Total Phase-Ins	2,254,035	1,769,691	1,769,691	1,769,689	692,561	(484,344)
F. Smoothed Total Annual PLS Revenue - Current Year						
F1. Preliminary Smoothed Total PLS Revenue: A + D3 + E6	\$120,073,358	\$127,283,575	\$ -	\$ -	\$ -	\$ -
F2. Upper Corridor Limit: 120%*B	153,614,839	157,237,406	-	-	-	-
F3. Lower Corridor Limit: 80%*B	102,409,893	104,824,938	-	-	-	-
<b>F4. Final Smoothed Total Annual PLS Revenue</b>	<b>120,073,358</b>	<b>127,283,575</b>	-	-	-	-
G. Difference between Actual & Smoothed Annual PLS Revenue	7,939,008	3,747,597	-	-	-	-
H. <b>Percentage Change in Smoothed Annual PLS Revenue</b>	6.41%	<b>6.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
I. <b>Percentage Change in Total Actual Annual PLS Revenue</b>	9.27%	<b>2.36%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
J. Ratio of Smoothed PLS Revenue to Actual PLS Revenue	93.80%	97.14%	0.00%	0.00%	0.00%	0.00%





**PENSION LIABILITY SURTAX ESTIMATES**

**4.25% GROWTH**

<u>Fiscal Year</u>	<u>Projected Total 1/2-Penny Sales Tax</u>	<u>Projected Pension Liability Surtax</u>	<u>58.3% of Revenue for Police and Fire Pension Fund</u>
2024	\$ 127,283,575		
2025	132,693,127		
2026	138,332,585		
2027	144,211,720		
2028	150,340,718		
2029	156,730,198		
2030	163,391,232		
2031	170,335,359	\$ 127,751,519	\$ 74,479,136
2032	177,574,612	177,574,612	103,525,999
2033	185,121,533	185,121,533	107,925,854
2034	192,989,198	192,989,198	112,512,702
2035	201,191,239	201,191,239	117,294,492
2036	209,741,867	209,741,867	122,279,508
2037	218,655,896	218,655,896	127,476,387
2038	227,948,771	227,948,771	132,894,134
2039	237,636,594	237,636,594	138,542,134
2040	247,736,149	247,736,149	144,430,175
2041	258,264,936	258,264,936	150,568,458
2042	269,241,196	269,241,196	156,967,617
2043	280,683,946	280,683,946	163,638,741
2044	292,613,014	292,613,014	170,593,387
2045	305,049,067	305,049,067	177,843,606
2046	318,013,653	318,013,653	185,401,959
2047	331,529,233	331,529,233	193,281,543
2048	345,619,225	345,619,225	201,496,008
2049	360,308,042	360,308,042	210,059,589
2050	375,621,134	375,621,134	218,987,121
2051	391,585,032	391,585,032	228,294,074
2052	408,227,396	408,227,396	237,996,572
2053	425,577,060	425,577,060	248,111,426
2054	443,664,086	443,664,086	258,656,162
2055	462,519,809	462,519,809	269,649,049
2056	482,176,901	482,176,901	281,109,133
2057	502,669,419	502,669,419	293,056,272
2058	524,032,870	524,032,870	305,511,163
2059	546,304,267	546,304,267	318,495,387
2060	569,522,198	569,522,198	332,031,441
2061	593,726,891	148,431,723	86,535,694
<b>Total Proceeds from 2031-2061:</b>		<b>\$ 10,068,001,586</b>	<b>\$ 5,869,644,925</b>
<b>Net Present Value of Proceeds as of 10/1/24</b>			
<b>(at 6.5% interest):</b>		<b>\$ 2,518,989,098</b>	<b>\$ 1,468,570,644</b>



## LIQUIDATION OF THE UNFUNDED ACTUARIAL ACCRUED LIABILITY

UAAL AMORTIZATION PERIOD AND PAYMENTS						
Original UAAL				Current UAAL*		
Date Established	Type of Amortization Base	Amortization Period (Years)	Amount	Years Remaining	Amount	Payment
10/1/2016	Fresh Start	30	\$ 1,243,587,908	22	\$ 1,123,561,709	\$82,525,423
10/1/2017	Experience (Gain)/Loss	30	(102,449,877)	23	(97,179,358)	(6,969,467)
10/1/2017	Assumption Changes	30	67,640,845	23	64,161,072	4,601,476
10/1/2018	Experience (Gain)/Loss	30	(19,072,874)	23	(18,136,237)	(1,300,687)
10/1/2018	Method Change	29	15,507,222	23	14,745,689	1,057,525
10/1/2019	Experience (Gain)/Loss	28	33,690,255	23	31,990,653	2,294,292
10/1/2019	Benefit Change	28	2,158,327	23	2,049,445	146,981
10/1/2020	Experience (Gain)/Loss	27	84,589,421	23	80,723,004	5,789,257
10/1/2020	Assumption Changes	27	36,384,579	23	34,721,511	2,490,142
10/1/2021	Experience (Gain)/Loss	26	(147,822,021)	23	(141,781,214)	(10,168,203)
10/1/2021	Assumption Changes	26	98,517,513	23	94,491,555	6,776,704
10/1/2022	Experience (Gain)/Loss	25	79,289,877	23	77,468,652	5,555,863
10/1/2022	Assumption Changes	25	48,230,549	23	47,122,733	3,379,528
10/1/2022	Method Change	25	48,122,751	23	47,017,410	3,371,974
10/1/2023	Experience (Gain)/Loss	24	78,886,615	23	77,612,415	5,566,173
10/1/2024	Experience (Gain)/Loss	23	(1,473,221)	23	(1,473,221)	(105,656)
10/1/2024	Assumption Changes	23	<u>176,324,617</u>	23	<u>176,324,617</u>	<u>12,645,572</u>
			1,742,112,486		1,613,420,435	117,656,897

\*Reflects an offset equal to the net present value of the total pension liability surtax proceeds based on a pro rata share of 58.3%.

**Amortization Schedule**

The UAAL is being amortized as a level percent of pay over the number of years remaining in each amortization period. The following schedule illustrates the expected amortization of the UAAL:

Amortization Schedule	
Year	Expected UAAL*
2024	\$ 1,613,420,435
2025	1,592,988,153
2026	1,569,661,481
2027	1,543,232,688
2028	1,513,480,314
2029	1,480,168,252
2034	1,250,798,351
2039	886,739,593
2044	334,954,002
2047	-

\*Reflects an offset equal to the net present value of the total pension liability surtax proceeds based on a pro rata share of 58.3%.

## ACTUARIAL GAINS AND LOSSES

The assumptions used to anticipate mortality, employment turnover, investment income, expenses, salary increases, and other factors have been based on long range trends and expectations. Actual experience can vary from these expectations. The variance is measured by the gain and loss for the period involved. If significant long term experience reveals consistent deviation from what has been expected and that deviation is expected to continue, the assumptions should be modified. The net actuarial gain (loss) for the past year is computed as follows:

1. UAAL at 10/1/2023	\$ 1,464,302,719
2. 2023-24 Total Normal Cost for Benefits (BOY)	73,440,039
3. 2023-24 Contributions (net of Administrative Expenses)	189,231,607
4. Interest at the Assumed Rate on:	
a. 1 and 2 for one year	99,953,279
b. 3 from dates paid	9,895,391
c. a - b	90,057,888
5. Expected UAAL at 10/1/2024 (before changes): 1 + 2 - 3 + 4c	1,438,569,039
6. Actual UAAL at 10/1/2024 (before changes):	1,437,095,818
7. Net Actuarial Gain/(Loss):	1,473,221
8. Gain/(Loss) on the Actuarial Value of Assets (net of reserves):	33,174,041
9. Gain/(Loss) Due to Changes in Projected Pension Liability Surtax Proceeds:	6,970,238
10. Gain/(Loss) Due to Other Sources:	(38,671,058)

The annual experience gains/(losses) in previous years have been as follows:

Year Ending	Experience Gain / (Loss)
9/30/2013	\$ 86,047,514
9/30/2014	34,912,618
9/30/2015	(182,600,912)
9/30/2016	45,616,836
9/30/2017	102,449,877
9/30/2018	19,072,874
9/30/2019	(33,690,255)
9/30/2020	(84,589,421)
9/30/2021	147,822,021
9/30/2022	(79,289,877)
9/30/2023	(78,886,615)
9/30/2024	1,473,221

The fund earnings, salary increase and annual pension liability surtax revenue increase assumptions have considerable impact on the cost of the plan so it is important that they are in line with the actual experience. The following table shows the actual fund earnings, salary increase rates, and pension liability surtax revenue rates compared to the assumed rates for the last few years:

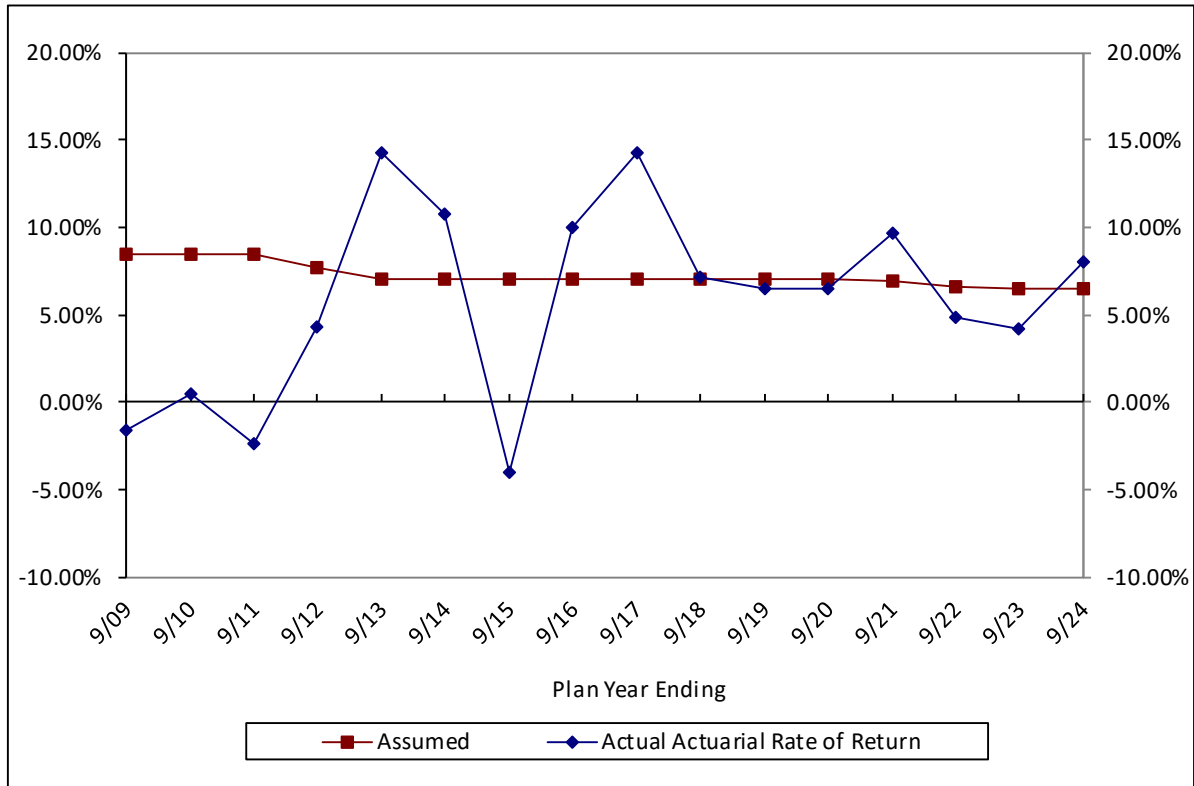
Period Ending	Investment Return		Salary Increases		% Change in Annual PLS Revenue	
	Actual	Assumed	Actual*	Assumed*	Actual*	Assumed*
9/30/2009	(1.63) %	8.50 %	7.0 %	5.5 %		
9/30/2010	0.44	8.50	3.0	5.5		
9/30/2011	(2.41)	8.50	2.5	5.5		
9/30/2012	4.34	7.75	0.4	5.0		
9/30/2013	14.29	7.00	2.9	4.0		
9/30/2014	10.73	7.00	3.0	4.0		
9/30/2015	(4.00)	7.00	3.8	3.5		
9/30/2016	10.00	7.00	2.2	3.5		
9/30/2017	14.27	7.00	12.1	10.0	3.95 %	4.25 %
9/30/2018	7.20	7.00	10.4	10.0	6.25	4.25
9/30/2019	6.46	7.00	11.6	10.5	4.67	4.25
9/30/2020	6.50	7.00	3.4	3.5	(2.15)	4.25
9/30/2021	9.72	6.90	2.3	4.8	14.36	4.25
9/30/2022	4.84	6.625	11.7	4.4	5.25 **	4.25
9/30/2023	4.21	6.50	6.7	4.0	6.41	4.25
9/30/2024	8.04	6.50	3.8	3.8	6.00	4.25
Average	5.67 %	7.23 %	5.4 %	5.4 %	5.51 %	4.25 %

\*Actual and assumed rates are based on average compound increases for the period.

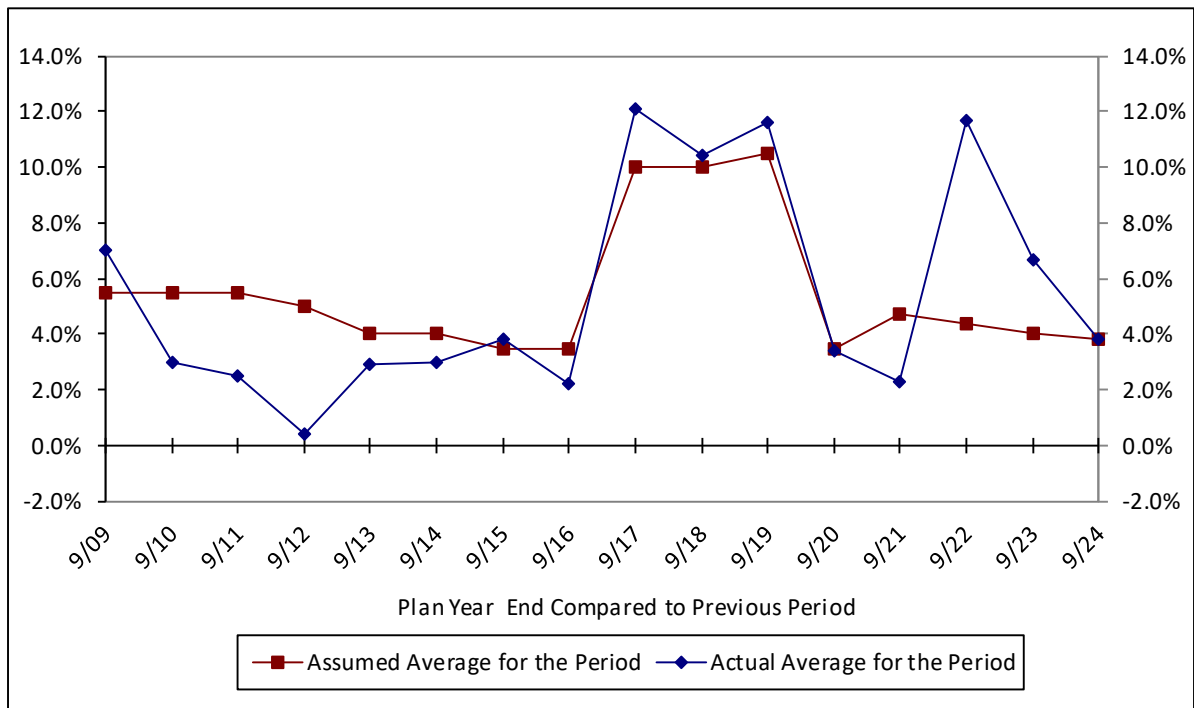
\*\*Beginning 9/30/2022 the Annual PLS Revenue uses a five-year smoothing method.

The actual investment return rates shown above are based on the actuarial value of assets. The actual salary increase rates shown above are the increases received by those active members who were included in the actuarial valuations both at the beginning and end of each period. The actual pension liability surtax rates shown above are based on the smoothed pension liability surtax revenue.

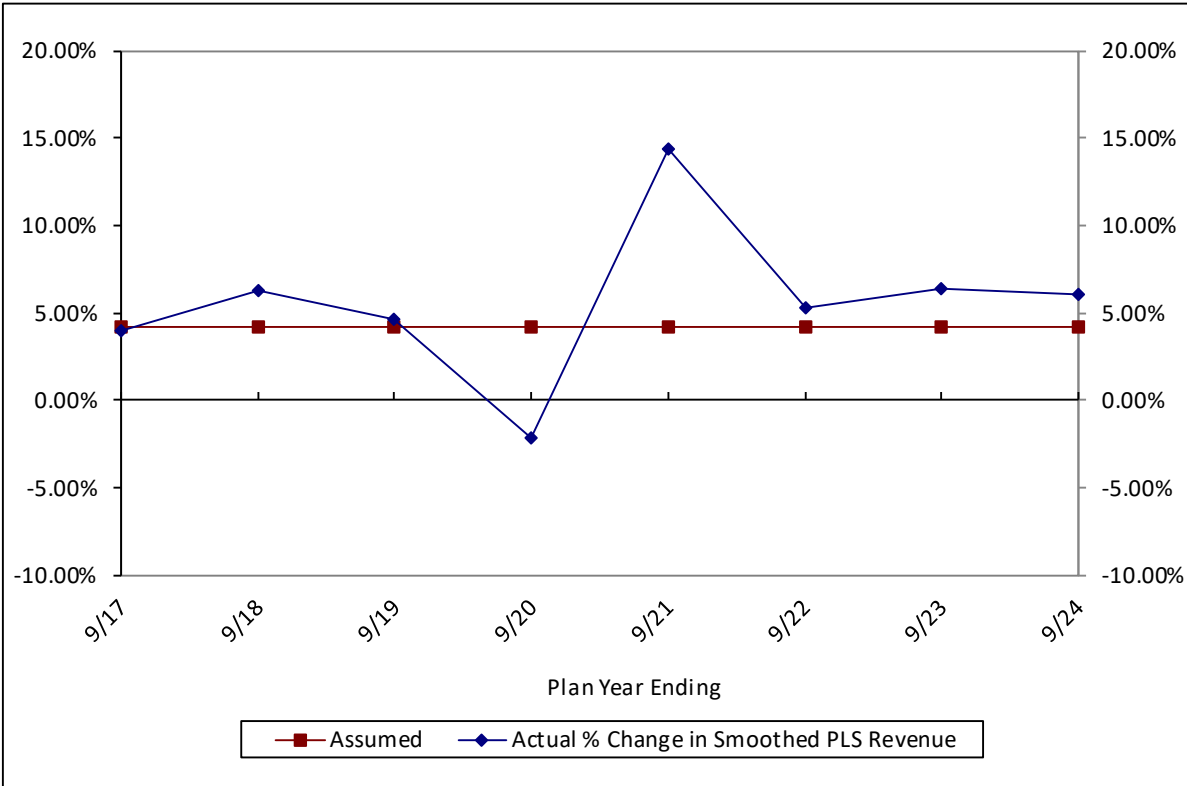
## History of Investment Return Based on Actuarial Value of Assets



## History of Salary Increases



### History of Pension Liability Surtax Revenue Increases (Smoothed After 9/21)





**Number Added To and Removed from Active Participation  
Actual (A) Compared to Expected (E)**

Year Ended	Number Added During Year		Service & DROP Retirement		Disability Retirement		Died In Service		Terminations				Active Members End of Year
	A	E	A	E	A	E	A	E	Vested	Other	Totals		
									A	A	A	E	
9/30/2017	231	163	110	107	2	3	4	3	16	31	47	25	2,362
9/30/2018	132	28	68	79	0	3	3	3	18	21	39	27	2,384
9/30/2019	0	0	50	87	2	3	2	3	16	13	29	27	2,301
9/30/2020	0	0	56	92	0	3	1	3	6 *	2	8	24	2,236
9/30/2021	0	0	145	115	0	2	2	3	22	10	32	22	2,057
9/30/2022	0	0	163	100	1	2	6	3	13 *	2	15	20	1,872
9/30/2023	0	0	117	92	2	2	1	2	19 *	1	20	18	1,732
9/30/2024	0	0	150	102	0	2	1	2	5 *	0	5	16	1,576
8-Yr Total	363	191	859	774	7	20	20	22	115	80	195	179	

\*Adjusted to reflect rehired vested terminated members.

Note: Participant data is collected as of July 1. The plan was closed to new members as of October 1, 2017.

### RECENT HISTORY OF VALUATION RESULTS

Valuation Date	Number of		Covered Annual Payroll	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets	Funded Ratio	Unfunded AAL (UAAL)	UAAL as a % of Covered Payroll
	Active Members	Inactive Members						
10/1/2000	2,049	1,797	\$ 97,207	\$ 939,802	\$ 814,889	86.7 %	\$ 124,913	128.5 %
10/1/2001	2,037	1,883	96,199	927,625	790,823	85.3	136,802	142.2
10/1/2002	2,068	1,975	101,698	977,779	725,416	74.2	252,363	248.1
10/1/2003	2,182	1,994	109,637	1,146,459	732,526	63.9	413,933	377.6
10/1/2004	2,347	2,019	118,510	1,222,355	727,955	59.6	494,400	417.2
10/1/2005	2,450	2,046	130,392	1,314,424	765,180	58.2	549,244	421.2
10/1/2006	2,509	2,068	134,694	1,376,659	827,338	60.1	549,321	407.8
10/1/2007	2,541	2,117	143,006	1,464,508	930,454	63.5	534,054	373.4
10/1/2008	2,534	2,164	148,277	1,692,975	894,903	52.9	798,072	538.2
10/1/2009	2,583	2,278	155,558	1,753,946	855,997	48.8	897,949	577.2
10/1/2010	2,620	2,353	158,047	2,024,453	1,060,406	52.4	964,047	610.0
10/1/2011	2,451	2,481	148,968	2,427,198	1,039,894	42.8	1,387,304	931.3
10/1/2012	2,213	2,647	133,611	2,762,977	1,078,907	39.0	1,684,070	1,260.4
10/1/2013	2,150	2,725	130,972	2,876,606	1,228,131	42.7	1,648,475	1,258.6
10/1/2014	2,237	2,801	134,521	2,983,906	1,389,748	46.6	1,594,158	1,185.1
10/1/2015	2,202	2,906	132,735	3,142,228	1,354,405	43.1	1,787,823	1,346.9
10/1/2016	2,294	2,963	135,600	3,518,252	1,513,398	43.0	2,004,853	1,478.5
10/1/2017	2,362	3,055	149,490	3,736,610	1,765,159	47.2	1,971,451	1,318.8
10/1/2018	2,384	3,092	162,004	3,880,073	1,865,496	48.1	2,014,577	1,243.5
10/1/2019	2,301	3,127	174,125	4,036,925	1,946,967	48.2	2,089,958	1,200.3
10/1/2020	2,236	3,150	174,186	4,253,525	2,041,049	48.0	2,212,476	1,270.2
10/1/2021	2,057	3,276	161,836	4,574,334	2,198,635	48.1	2,375,699	1,468.0
10/1/2022	1,872	3,418	162,885	4,916,393	2,259,230	46.0	2,657,163	1,631.3
10/1/2023	1,732	3,510	159,543	5,133,762	2,297,064	44.7	2,836,698	1,778.0
10/1/2024	1,576	3,627	166,632	5,513,314	2,431,323	44.1	3,081,991	1,849.6

Note: Dollar amounts are in thousands.



RECENT HISTORY OF REQUIRED AND ACTUAL CITY CONTRIBUTIONS							
Valuation Date	End of Year To Which Valuation Applies	Required Contributions		Actual Contributions			
		Amount	% of Payroll	City Contributions	Alotted from Reserves*	Total	% of Payroll
10/1/2003	9/30/2005	\$ 35,929	27.55 %	\$ 27,176	\$ 8,753	\$ 35,929	27.55 %
10/1/2003	9/30/2006	38,230	28.38	36,124	2,106	38,230	28.38
10/1/2003	9/30/2007	39,850	27.87	44,208	(4,358)	39,850	27.87
10/1/2006	9/30/2008	48,807	32.92	48,364	443	48,807	32.92
10/1/2006	9/30/2009	50,564	32.51	50,235	329	50,564	32.51
10/1/2008	9/30/2010	77,182	48.83	82,197	(5,015)	77,182	48.83
10/1/2008	9/30/2011	77,065	51.73	75,903	1,162	77,065	51.73
10/1/2008	9/30/2012	73,729	55.18	70,599	3,130	73,729	55.18
10/1/2011	9/30/2013	99,997	76.35	122,580	(22,583)	99,997	76.35
10/1/2012	9/30/2014	142,433	105.88	149,159	(6,726)	142,433	105.88
10/1/2013	9/30/2015	153,604	115.72	153,936	(332)	153,604	115.72
10/1/2014	9/30/2016	149,499	110.70	149,499	0	149,499	110.70
10/1/2015	9/30/2017	167,788	119.60	167,788	0	167,788	119.60
10/1/2016	9/30/2018	135,648	90.74	115,691	20,000	135,691	90.77
10/1/2017	9/30/2019	135,264	88.36	110,528	24,736	135,264	83.49
10/1/2018	9/30/2020	140,293	84.57	123,329	16,964	140,293	80.57
10/1/2019	9/30/2021	148,476	83.27	134,725	13,751	148,476	85.24
10/1/2020	9/30/2022	157,352	88.23	157,352	0	157,352	97.23
10/1/2021	9/30/2023	156,994	94.79	156,848	146	156,994	96.38
10/1/2022	9/30/2024	174,040	104.43	174,040	0	174,040	109.09
10/1/2023	9/30/2025	178,068	110.23	---	---	---	---
10/1/2024	9/30/2026	201,399	119.37	---	---	---	---

Note: Dollar amounts are in thousands.

\*Actual contributions include the use of funds from the City Contribution reserve (or the City Budget Stabilization Account (CBSA) prior to fiscal year ending Spetember 30, 2016).



# ACTUARIAL ASSUMPTIONS AND COST METHOD

## Valuation Methods

**Actuarial Cost Method** - Normal cost and the allocation of benefit values between service rendered before and after the valuation date were determined using an **Individual Entry-Age Actuarial Cost Method** having the following characteristics:

- (i) the annual normal cost for each individual active member, payable from the date of employment to the dates of expected retirement, is sufficient to accumulate the value of the member's benefit at the time of retirement;
- (ii) each annual normal cost is a constant percentage of the member's year by year projected covered pay.

Actuarial gains/(losses), as they occur, reduce (increase) the Unfunded Actuarial Accrued Liability.

**Financing of Unfunded Actuarial Accrued Liabilities** - Unfunded Actuarial Accrued Liabilities were amortized as a level (principal & interest combined) percent of payroll over a prescribed period of up to 23 years. *The maximum prescribed period was 24 years in the prior valuation.* This period will be reduced by 1 year in each future year until it reaches 15 years. The assumed payroll growth rate is 1.25%.

**Actuarial Value of Assets** - The Actuarial Value of Assets phase in the difference between the expected actuarial value and actual market value of assets at the rate of 20% per year. The Actuarial Value of Assets will be further adjusted to the extent necessary to fall within the corridor whose lower limit is 80% of the Market Value of plan assets and whose upper limit is 120% of the Market Value of plan assets. During periods when investment performance exceeds the assumed rate, Actuarial Value of Assets will tend to be less than Market Value. During periods when investment performance is less than assumed rate, Actuarial Value of Assets will tend to be greater than Market Value.

**Smoothed Annual Pension Liability Surtax Revenue** - The Smoothed Annual Pension Liability Surtax (PLS) Revenue phases in the difference between the expected smoothed value and Actual Pension Liability Surtax Revenue at the rate of 20% per year. The Smoothed Annual PLS Revenue will be further adjusted to the extent necessary to fall within the corridor whose lower limit is 80% of the Actual PLS Revenue and whose upper limit is 120% of the Actual PLS Revenue. During periods when actual increases in the surtax revenue exceed the assumed rate, the smoothed Annual PLS Revenue will tend to be lower than the Actual PLS Revenue. During periods when actual increases in the surtax revenue are less than the assumed rate, the smoothed Annual PLS Revenue will tend to be higher than the Actual PLS Revenue.

## Valuation Assumptions

The actuarial assumptions used in the valuation are shown in this Section.



## Economic Assumptions

The future investment return rate assumed in the valuation is 6.50% per year, compounded annually.

The future inflation rate assumed in this valuation is 2.25% per year.

The assumed real rate of return over inflation is defined to be the portion of total investment return that is more than the assumed inflation rate. Considering other economic assumptions, the 6.50% investment return rate translates to an assumed real rate of return over inflation of 4.25%.

The rates of salary increase used are in accordance with the following table below and are based on the Experience Study dated October 22, 2020. Part of the assumption is for merit and/or seniority service increase, and 2.25% (12%/13% in 2024 and 5% in 2025 and 2026) recognizes inflation. (The change in the inflation portion was done to include the negotiated across-the-board salary increases of 12% for Firefighters and 13% for Police Officers in 2024 and 5% per year in 2025 and 2026.) *The salary inflation was 2.25% per year and the table below was used without adjustment in the previous valuation.* This assumption is used to project a member's current salary to the salaries upon which benefits will be based.

<b>% Increase in Salary</b>			
<b>Years of Service</b>	<b>Merit and Seniority</b>	<b>Inflation*</b>	<b>Total Increase*</b>
3	9.25%	2.25%	11.50%
4	7.50%	2.25%	9.75%
5	4.25%	2.25%	6.50%
6 - 7	2.75%	2.25%	5.00%
8 - 10	2.00%	2.25%	4.25%
11 - 14	1.40%	2.25%	3.65%
15 - 18	1.10%	2.25%	3.35%
19 & Over	0.50%	2.25%	2.75%

Note the plan is closed to new entrants effective October 1, 2017. As of October 1, 2020, active members have a minimum of 3 years of service. As of October 1, 2024, active members have a minimum of 7 years of service.

\*Assumed salary increases for the years 2024-2026 were adjusted in replacement of the inflation portion from 2.25% to 12%/13% in 2024 and 5% in 2025 and 2026 for total projected salary increases of 12.5% to 21.25% for Firefighters and 13.5% to 22.25% for Police Officers in 2024 and 5.5% to 14.25% in 2025 and 2026. Beginning in 2027, salary increases are assumed to return to rates as shown above without adjustment.

## Demographic Assumptions

The mortality table is the PUB-2010 Headcount Weighted Safety Healthy Employee Mortality Table (for pre-retirement mortality) and the PUB-2010 Headcount Weighted Safety Healthy Retiree Mortality Table (for postretirement mortality), with separate rates for males and females and ages set forward one year, with



mortality improvements projected to all future years after 2010 using Scale MP-2018. For males, the base mortality rates for both pre-retirement and postretirement mortality are based on the Below Median Healthy tables. These are the same rates in use for Special Risk class members of the Florida Retirement System (FRS) in their July 1, 2023 Actuarial Valuation. Florida Statutes Chapter 112.63(1)(f) mandates the use of the mortality tables used in either of the two most recently published actuarial valuation reports of FRS.

**FRS Healthy Post-Retirement Mortality for Special Risk Class Members**

Sample Attained Ages in 2024	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	0.42 %	0.19 %	32.78	36.61
55	0.54	0.35	28.01	31.57
60	0.90	0.59	23.40	26.77
65	1.30	0.91	19.10	22.22
70	2.06	1.42	15.06	17.95
75	3.47	2.36	11.44	14.01
80	6.13	4.04	8.34	10.52

This assumption is used to measure the probabilities of each benefit payment being made after retirement.

**FRS Healthy Pre-Retirement Mortality for Special Risk Class Members**

Sample Attained Ages in 2024	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	0.16 %	0.10 %	35.91	39.81
55	0.25	0.16	30.82	34.66
60	0.42	0.22	25.86	29.58
65	0.68	0.30	21.08	24.56
70	1.16	0.54	16.53	19.64
75	2.04	1.04	12.27	14.93
80	6.13	4.04	8.34	10.52

This assumption is used to measure the probabilities of active members dying prior to retirement.

For disabled retirees, the mortality table is 80% of the PUB-2010 Headcount Weighted General Disabled Retiree Mortality Table, and 20% of the PUB-2010 Headcount Weighted Safety Disabled Retiree Mortality Table, both with separate rates for males and females, with no provision being made for future mortality improvements. These are the same rates in use for Special Risk class members of the Florida Retirement System (FRS) in their July 1, 2023 Actuarial Valuation. Florida Statutes Chapter 112.63(1)(f) mandates the use of the mortality tables used in either of the two most recently published actuarial valuation reports of FRS.



### FRS Disabled Mortality for Special Risk Class Members

Sample Attained Ages in 2024	Probability of Dying Next Year		Future Life Expectancy (years)	
	Men	Women	Men	Women
50	1.45 %	1.25 %	24.04	26.84
55	1.91	1.50	20.88	23.54
60	2.37	1.81	17.92	20.32
65	3.00	2.22	15.07	17.17
70	3.91	2.90	12.39	14.10
75	5.30	4.13	9.87	11.22
80	7.66	6.21	7.60	8.67

The **rates of retirement** used to measure the probability of eligible members retiring during the next year were as follows and are based on the Experience Study dated October 22, 2020.

Service	Age	Service Retirement
20	Under 50	45.0%
	50 - 54	55.0
	55 - 59	60.0
	60 & Over	100.0
21	Under 50	25.0
	50 -59	30.0
	60 & Over	50.0
22 - 23	Under 50	15.0
	50 -59	30.0
	60 & Over	50.0
24 - 28	Under 60	25.0
	60 & Over	50.0
29	Any Age	50.0
30 & Over	Any Age	100.0

**Rates of separation from active membership** were as shown below (rates do not apply to members eligible to retire and do not include separation on account of death or disability) and are based on the Experience Study dated October 22, 2020. This assumption measures the probabilities of members separating from employment for reasons other than death, disability or retirement.

<b>Sample Ages</b>	<b>% of Active Members Separating Within Next Year</b>
20	1.6%
25	1.6
30	1.6
35	1.2
40	0.9
45	0.9
50	0.9
55	0.5

**Rates of disability** among active members are shown below and are based on the Experience Study dated October 22, 2020.

<b>% Becoming Disabled Within Next Year</b>	
<b>Sample Ages</b>	<b>Male/Female</b>
20	0.025%
25	0.025
30	0.025
35	0.034
40	0.042
45	0.084
50	0.185
55	0.378
60	0.756
64	0.470



## Miscellaneous and Technical Assumptions

<b><i>Administrative &amp; Investment Expenses</i></b>	Annual administrative and investment expenses are assumed to be equal to the prior year's expenses. Assumed administrative and investment expenses are added to the Normal Cost.
<b><i>Benefit Service</i></b>	Exact fractional service is used to determine the amount of benefit payable. Actual credited service as of the July 1 <sup>st</sup> prior to the valuation date is used in the valuation.
<b><i>Decrement Operation</i></b>	Disability and mortality decrements operate during retirement eligibility.
<b><i>Decrement Relativity</i></b>	Decrement rates are used without adjustment for multiple decrement table effects.
<b><i>Decrement Timing</i></b>	Decrements of all types are assumed to occur at the beginning of the year.
<b><i>DROP Load</i></b>	Explicit valuation of the liabilities and costs associated with the actual DROP interest crediting rate using procedures described in the DROP Interest Study dated September 28, 2017.
<b><i>DROP Participation</i></b>	For purposes of the explicit valuation of the DROP Load, active members who choose to retire are assumed to elect to enter the DROP (as a Phase I member) 96% of the time (versus separating from employment). Members whose DROP entry dates are less than 18 months prior to the valuation date are assumed to remain employed (as a Phase I member) for an average total active DROP participation period of 4 years and 7 months. Phase I members whose DROP entry dates are 18 or more months prior to the valuation date are assumed to remain employed (as a Phase I member) for the 5-year maximum DROP participation period. At the end of the DROP participation period, Phase I members are assumed to elect a bi-weekly distribution (as a Phase II member) 95% of the time (versus electing a lump sum) over an assumed distribution period of 30 years.
<b><i>Eligibility Testing</i></b>	Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
<b><i>Forfeitures</i></b>	No vested terminated refunds or disability recoveries are assumed to occur.

***Incidence of Contributions***

Member contributions are assumed to be received continuously throughout the year based upon the member contribution rate. Employer contributions are assumed to be received in full on December 1<sup>st</sup> and are assumed to be equal to the dollar amount shown.

***Marriage and Survivor Assumption***

For death-in-service, 50% of active member deaths are assumed to have a surviving spouse and an additional 20% of active member deaths are assumed to have an eligible orphaned child. Orphaned children of active members are assumed to be paid for a period of 10 years. For all retirees (current and future), 65% of males and 65% of females are assumed to be married and a 75% survivor benefit will be paid after the death of the retiree. Male members are assumed to be 5 years older than their surviving spouse and female members are assumed to be 5 years younger than their surviving spouse.

***Normal Form of Benefit***

A 75% joint and contingent life annuity is the normal form of benefit.

***Pension Liability Surtax***

58.3% of the total proceeds from the City of Jacksonville’s pension liability is assumed to be allocated to the Jacksonville Police and Fire Pension Fund beginning with fiscal year 2031. Sales tax revenue is projected to increase by 4.25% annually. In the previous valuation, the pro rata share of the total proceeds was 59.0%. This allocation percentage is updated each year by the City based on the relative unfunded actuarial liabilities for all three of the City’s pension plans.

***Pay Increase Timing***

Reported pays as of June 2024 were loaded by 12% for Firefighters and 13% for Police Officers to reflect the across-the-board pay increases effective October 1, 2024. These adjusted pays were assumed to be the pays for the current year beginning on the valuation date. Future pay increases are assumed to occur at the end of the year.

***Service Credit Accruals***

It is assumed that members accrue one year of service credit per year.



## GLOSSARY

<b><i>Actuarial Accrued Liability (AAL)</i></b>	The difference between the Actuarial Present Value of Future Benefits, and the Actuarial Present Value of Future Normal Costs.
<b><i>Actuarial Assumptions</i></b>	Assumptions about future plan experience that affect costs or liabilities, such as: mortality, withdrawal, disablement, and retirement; future increases in salary; future rates of investment earnings; future investment and administrative expenses; characteristics of members not specified in the data, such as marital status; characteristics of future members; future elections made by members; and other items.
<b><i>Actuarial Cost Method</i></b>	A procedure for allocating the Actuarial Present Value of Future Benefits between the Actuarial Present Value of Future Normal Costs and the Actuarial Accrued Liability.
<b><i>Actuarial Equivalent</i></b>	Of equal Actuarial Present Value, determined as of a given date and based on a given set of Actuarial Assumptions.
<b><i>Actuarial Present Value (APV)</i></b>	The amount of funds required to provide a payment or series of payments in the future. It is determined by discounting the future payments with an assumed interest rate and with the assumed probability each payment will be made.
<b><i>Actuarial Present Value of Future Benefits (APVFB)</i></b>	The Actuarial Present Value of amounts which are expected to be paid at various future times to active members, retired members, beneficiaries receiving benefits, and inactive, nonretired members entitled to either a refund or a future retirement benefit. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would provide sufficient assets to pay all projected benefits and expenses when due.
<b><i>Actuarial Valuation</i></b>	The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a plan.
<b><i>Actuarial Value of Assets</i></b>	The value of the assets as of a given date, used by the actuary for valuation purposes. This may be the market or fair value of plan assets or a smoothed value in order to reduce the year-to-year volatility of calculated results, such as the funded ratio and the actuarially determined contribution (ADC).

<b><i>Actuarially Determined Contribution (ADC)</i></b>	The employer’s periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation, determined under GASB. The ADC consists of the Employer Normal Cost and Amortization Payment.
<b><i>Amortization Method</i></b>	A method for determining the Amortization Payment. The most common methods used are level dollar and level percentage of payroll. Under the Level Dollar method, the Amortization Payment is one of a stream of payments, all equal, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the Amortization Payment is one of a stream of increasing payments, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the stream of payments increases at the rate at which total covered payroll of all active members is assumed to increase.
<b><i>Amortization Payment</i></b>	That portion of the plan contribution or ADC which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.
<b><i>Amortization Period</i></b>	The period used in calculating the Amortization Payment.
<b><i>Closed Amortization Period</i></b>	A specific number of years that is reduced by one each year, and declines to zero with the passage of time. For example, if the amortization period is initially set at 30 years, it is 29 years at the end of one year, 28 years at the end of two years, etc.
<b><i>Employer Normal Cost</i></b>	The portion of the Normal Cost to be paid by the employer. This is equal to the Normal Cost less expected member contributions.
<b><i>Equivalent Single Amortization Period</i></b>	For plans that do not establish separate amortization bases (separate components of the UAAL), this is the same as the Amortization Period. For plans that do establish separate amortization bases, this is the period over which the UAAL would be amortized if all amortization bases were combined upon the current UAAL payment.
<b><i>Experience Gain/Loss</i></b>	A measure of the difference between actual experience and that expected based upon a set of Actuarial Assumptions, during the period between two actuarial valuations. To the extent that actual experience differs from that assumed, Unfunded Actuarial Accrued Liabilities emerge which may be larger or smaller than projected. Gains are due to favorable experience, e.g., the assets earn more than projected, salaries do not increase as fast as assumed, members retire later than assumed, etc. Favorable experience means actual results produce actuarial liabilities not as large as projected by the actuarial assumptions. On the other hand, losses are the result of unfavorable experience, i.e., actual results that produce Unfunded Actuarial Accrued Liabilities which are larger than projected.

<b><i>Funded Ratio</i></b>	The ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.
<b><i>GASB</i></b>	Governmental Accounting Standards Board.
<b><i>Normal Cost</i></b>	The annual cost assigned, under the Actuarial Cost Method, to the current plan year.
<b><i>Unfunded Actuarial Accrued Liability</i></b>	The difference between the Actuarial Accrued Liability and Actuarial Value of Assets.
<b><i>Valuation Date</i></b>	The date as of which the Actuarial Present Value of Future Benefits are determined. The benefits expected to be paid in the future are discounted to this date.

## SECTION C

---

### PENSION FUND INFORMATION

## Statement of Total Plan Assets at Market Value

Item	September 30	
	2024	2023
A. Cash and Short-Term Investments (Operating Cash)	\$ (5,907,608)	\$ -
B. Receivables:		
1. Accounts Receivable	\$ (111,094)	\$ 470,393
2. Interest and Dividends	1,381,756	1,982,477
3. Employer Contribution	470,798	403,219
4. Prepaid Items and Recoverable Taxes	-	-
5. Other Assets	81,675	98,118
6. Securities Lending Collateral	100,460,862	74,377,848
7. Deferred Outflows	163,486	461,447
8. Total Receivables	<u>\$ 102,447,483</u>	<u>\$ 77,793,502</u>
C. Property, Plant and Equipment		
1. Furniture and Equipment	\$ 311,510	\$ 311,510
2. Accumulated Depreciation	<u>(311,510)</u>	<u>(311,510)</u>
3. Net Total	\$ 0	\$ 0
D. Investments		
1. Cash and Cash Equivalents	\$ 44,292,173	\$ 59,483,149
2. Domestic and International Equities	1,732,691,709	1,280,178,835
3. Fixed Income Securities	562,085,661	448,863,669
4. Real Estate	259,133,538	306,383,562
5. Other Securities (Partnership)	205,687,516	137,350,441
6. Total Investments	<u>\$ 2,803,890,597</u>	<u>\$ 2,232,259,656</u>
E. Liabilities		
1. Accounts Payable	\$ (2,453,089)	\$ (2,846,431)
2. Other Post Employment Benefits	-	-
3. Securities Lending Obligations	(100,460,862)	(74,377,848)
4. Other Liabilities and Deferred Inflows	<u>(182,076,384)</u>	<u>(4,484,554)</u>
5. Total Liabilities	\$ (284,990,335)	\$ (81,708,833)
F. Total Market Value of Assets	\$ 2,615,440,137	\$ 2,228,344,325
G. Allocation of Investments		
1. Cash and Cash Equivalents	1.6%	2.7%
2. Domestic and International Equities	61.8%	57.3%
3. Fixed Income Securities	20.1%	20.1%
4. Real Estate	9.2%	13.7%
5. Other Securities (Partnership)	7.3%	6.2%
6. Total Investments	<u>100.0%</u>	<u>100.0%</u>



## Reconciliation of Plan Assets

Item	September 30	
	2024	2023
A. Market Value at Beginning of Year	\$ 2,228,344,325	\$ 1,996,816,815
Beginning of Year Adjustment	(1)	125,008
Adjusted Market Value at Beginning of Year	\$ 2,228,344,324	\$ 1,996,941,823
B. Revenues and Expenditures		
1. Contributions		
a. Member Contributions	\$ 16,337,037	\$ 17,092,159
b. Plan Member Buybacks and Pension Transfers	547,863	699,270
c. Employer Contributions	174,039,920	156,847,592
d. Military Leave Pension Contributions	-	-
e. State Contributions	21,426,362	18,423,121
f. Court Fines and Penalties	672,818	584,921
g. Supplemental Payment	-	-
h. Miscellaneous	377,270	173,411
i. Total	\$ 213,401,270	\$ 193,820,474
2. Investment Income		
a. Parking and Rental Revenue	\$ 631,664	\$ 382,232
b. Securities Lending Net Revenue	206,496	135,120
c. Investment Income and Realized Gains	132,537,256	109,902,595
d. Unrealized Gains/(Losses)	337,117,630	175,731,615
e. Investment Expenses	(17,993,791)	(12,264,066)
f. Net Investment Income	\$ 452,499,255	\$ 273,887,496
3. Benefits and Refunds		
a. Regular Monthly Benefits	\$ (195,056,537)	\$ (187,016,748)
b. Refunds	(1,211,258)	(1,078,315)
c. DROP Payments	(41,473,990)	(41,261,240)
d. Reserve Distributions	(38,319,626)	(4,405,095)
e. Total	\$ (276,061,411)	\$ (233,761,398)
4. Administrative and Miscellaneous Expenses	\$ (2,743,301)	\$ (2,544,070)
C. Market Value of Assets at End of Year	\$ 2,615,440,137	\$ 2,228,344,325





**RESERVE ACCOUNT BALANCES AS OF SEPTEMBER 30, 2024**

	City of Jacksonville Contribution <u>Reserve</u>	Balance to be Allocated to Police Officers and Firefighters	<u>TOTALS</u>
Account Value, 10/1/2023	\$ 5,822,530	\$ 18,384,247	\$ 24,206,777
FY 2023 Chapter Funds received after 10/1/23	-	216,216	216,216
Annual Retiree Bonus paid December 2023	-	(3,126,265)	(3,126,265)
Partial Disbursement of FY 2023 Chapter Funds		(15,628,977)	(15,628,977)
Annual Earnings (20.42%)	1,188,961	285,355	1,474,316
Allocated Towards Required City Contribution	-	-	-
Receipt of FY 2024 Chapter Funds	-	21,210,146	21,210,146
Partial Disbursement of FY 2024 Chapter Funds	-	(18,029,144)	(18,029,144)
<b>Account Value, 9/30/2024</b>	<b>\$ 7,011,491</b>	<b>\$ 3,311,578</b>	<b>\$ 10,323,069</b>



<b>RECONCILIATION OF SHARE PLAN</b>	
Account Value, 9/30/2023	\$ 8,699,686
Contributions credited to accounts	+ 0
Investment Earnings credited (20.42%)	+ 1,669,841 <sup>1</sup>
Payments from accounts	- <u>1,095,263</u>
Account Value, 9/30/2024	9,274,264

<b>RECONCILIATION OF JPPPF SENIOR STAFF VOLUNTARY RETIREMENT TRUST FUND</b>	
Account Value, 9/30/2023	\$ 3,584,008
Contributions credited to accounts	+ 59,406
Investment Earnings credited (20.42%)	+ 698,967 <sup>1</sup>
Payments from accounts	- <u>439,977</u>
Account Value, 9/30/2024	3,902,404

<sup>1</sup> 20.42% applied to beginning-of-year account value, and mid-year timing assumed on regular payments from accounts during the year.

## Actuarial Value of Assets

Valuation Date - September 30	2023	2024	2025	2026	2027	2028
A. Actuarial Value of Assets Beginning of Year	\$ 2,279,837,637	\$ 2,333,554,786	\$ -	\$ -	\$ -	\$ -
B. Market Value End of Year	2,228,344,325	2,615,440,137	-	-	-	-
C. Market Value Beginning of Year	1,996,816,815	2,228,344,325	-	-	-	-
D. Non-Investment/Administrative Net Cash Flow	(42,359,986)	(65,403,443)	-	-	-	-
E. Investment Income						
E1. Actual Market Total: B-C-D	273,887,496	452,499,255	-	-	-	-
E2. Assumed Rate of Return	6.50%	6.50%	-	-	-	-
E3. Assumed Amount of Return <sup>1</sup>	129,946,622	144,037,471	-	-	-	-
E4. Amount Subject to Phase-In: E1-E3	143,940,874	308,461,784	-	-	-	-
F. Phase-In Recognition of Investment Income						
F1. Current Year: 0.2 x E4	28,788,175	61,692,357	-	-	-	-
F2. First Prior Year	(120,746,207)	28,788,175	61,692,357	-	-	-
F3. Second Prior Year	68,975,770	(120,746,207)	28,788,175	61,692,357	-	-
F4. Third Prior Year	3,923,923	68,975,770	(120,746,207)	28,788,175	61,692,357	-
F5. Fourth Prior Year	(14,811,148)	3,923,921	68,975,768	(120,746,205)	28,788,174	61,692,356
F6. Total Phase-Ins	(33,869,487)	42,634,016	38,710,093	(30,265,673)	90,480,531	61,692,356
<b>G. Actuarial Value of Assets End of Year</b>						
G1. Preliminary Actuarial Value of Assets End of Year	\$ 2,333,554,786	\$ 2,454,822,830	\$ -	\$ -	\$ -	\$ -
G2. Upper Corridor Limit: 120%*B	2,674,013,190	3,138,528,164	-	-	-	-
G3. Lower Corridor Limit: 80%*B	1,782,675,460	2,092,352,110	-	-	-	-
G4. Funding Value End of Year	2,333,554,786	2,454,822,830	-	-	-	-
G5. Less: Reserve Accounts, including Share Plan	(32,906,463)	(19,597,333)	-	-	-	-
G6. Less: Sr. Staff Plan Assets	(3,584,008)	(3,902,404)	-	-	-	-
G7. Final Funding Value End of Year	2,297,064,315	2,431,323,093	-	-	-	-
G8. Final Market Value End of Year	2,191,853,854	2,591,940,400	-	-	-	-
H. Difference between Market & Actuarial Value of Assets	(105,210,461)	160,617,307	-	-	-	-
<b>I. Actuarial Rate of Return (net money-weighted)<sup>1</sup></b>	4.21%	8.04%	0.00%	0.00%	0.00%	0.00%
<b>J. Market Value Rate of Return (net money-weighted)</b>	13.70%	20.42%	0.00%	0.00%	0.00%	0.00%
<b>K. Ratio of Actuarial Value of Assets to Market Value</b>	104.72%	93.86%	0.00%	0.00%	0.00%	0.00%

<sup>1</sup>Derived based on the net money-weighted rate of return on the market value of assets provided by the Plan's investment consultant, which was 20.42% for the fiscal year ended September 30, 2024 and 13.70% for the fiscal year ended September 30, 2023.



Period Ending	Net Investment Rate of Return	
	Total Market Value	Total Actuarial Value
9/30/2008	(13.1) %	N/A
9/30/2009	(1.7)	(1.6) %
9/30/2010	8.5	0.4
9/30/2011	0.1	(2.4)
9/30/2012	18.3	4.3
9/30/2013	14.3	14.3 *
9/30/2014	10.7	10.7 *
9/30/2015	(4.0)	(4.0) *
9/30/2016	10.0	10.0 *
9/30/2017	14.3	14.3 *
9/30/2018	8.0	7.2 **
9/30/2019	3.0	6.5 **
9/30/2020	8.0	6.5 **
9/30/2021	23.2	9.7 **
9/30/2022	(16.8)	4.8 **
9/30/2023	13.7	4.2 **
9/30/2024	20.4	8.0 **
<b>Average Returns:</b>		
Last 3 Years	4.4 %	5.7 %
Last 5 Years	8.7 %	6.6 %
Last 10 Years	7.4 %	6.6 %
All Years Shown Above	6.3 %	5.7 %

\*For YE 9/30/2013 to YE 9/30/2017 the Actuarial Value is equal to the Market Value.

\*\*Beginning 9/30/2018 the Actuarial Value of Assets uses a five-year smoothing method.

The above rates are based on the retirement system's financial information reported to the actuary. They may differ from figures that the investment consultant reports, in part because of differences in the handling of administrative and investment expenses, and in part because of differences in the handling of cash flows.



## **SECTION D**

---

### **FINANCIAL ACCOUNTING INFORMATION**

<b>FASB NO. 35 INFORMATION</b>		
A. Valuation Date	October 1, 2024	October 1, 2023
B. Actuarial Present Value of Accumulated Plan Benefits		
1. Vested Benefits		
a. Members Currently Receiving Payments	\$ 4,158,143,123	\$ 3,902,817,450
b. Terminated Vested Members	27,719,350	32,044,982
c. Other Members	<u>1,113,142,126</u>	<u>1,027,391,636</u>
d. Total	5,299,004,599	4,962,254,068
2. Non-Vested Benefits	29,645,841	30,227,244
3. Total Actuarial Present Value of Accumulated Plan Benefits: 1d + 2	5,328,650,440	4,992,481,312
4. Accumulated Contributions of Active Members	125,616,033	127,710,913
C. Changes in the Actuarial Present Value of Accumulated Plan Benefits		
1. Total Value at Beginning of Year	4,992,481,312	4,770,822,161
2. Increase (Decrease) During the Period Attributable to:		
a. Plan Amendments	0	0
b. Change in Actuarial Assumptions	125,991,754	0
c. Latest Member Data, Benefits Accumulated and Decrease in the Discount Period	447,919,159	451,015,454
d. Benefits Paid (Net of Reserves)	<u>(237,741,785)</u>	<u>(229,356,303)</u>
e. Net Increase	336,169,128	221,659,151
3. Total Value at End of Period	5,328,650,440	4,992,481,312
D. Net Market Value of Assets	2,591,940,400	2,191,853,854
E. Funded Ratio Using Net Market Value: D / C3	48.6%	43.9%
F. Actuarial Assumptions - See page entitled Actuarial Assumptions and Methods		

# SUMMARY OF DISCLOSURES

## GASB Statement No. 67

Actuarial Valuation Date	September 30, 2024
Pension Plan's Fiscal Year Ending Date (Asset Measurement Date & Reporting Date)	September 30, 2024

### Membership

Number of	
- Retirees and Beneficiaries	3,536
- Inactive, Nonretired Members	91
- Active Members	1,576
- Total	5,203
Covered Payroll	\$ 148,090,043

### Net Pension Liability

Total Pension Liability	\$ 5,532,911,505
Total Plan Fiduciary Net Position	2,611,537,733
City's Net Pension Liability	\$ 2,921,373,772
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	47.20%
Net Pension Liability as a Percentage of Covered Payroll	1,972.70%

### Development of the Single Discount Rate

Single Discount Rate	6.50%
Long-Term Expected Rate of Return	6.50%
Long-Term Municipal Bond Rate*	3.81%
Last year ending September 30 in the 2025 to 2124 projection period for which projected benefit payments are fully funded	2124

\* Source: Bond Buyer 20-Bond GO Index as of September 26, 2024. The "20-Bond GO Index" is based on 20 general obligation municipal bonds maturing in 20 years with mixed quality. In describing this index, the Bond Buyer website notes that the bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.



# SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS

## GASB Statement No. 67

Fiscal year ending September 30,	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>Total pension liability</b>										
Service Cost	\$ 73,440,039	\$ 74,921,572	\$ 71,816,810	\$ 71,448,042	\$ 70,109,932	\$ 65,147,956	\$ 60,154,158	\$ 45,257,077	\$ 44,087,089	\$ 46,662,780
Interest on the Total Pension Liability	331,790,357	318,080,956	301,236,742	292,913,908	283,845,921	269,658,004	259,433,546	233,338,035	217,546,212	210,942,612
Benefit Changes	-	-	-	-	2,706,557	-	-	26,818,328	-	(28,684,960)
Difference between actual & expected experience	38,883,320	55,615,312	114,062,428	10,351,290	3,122,601	8,465,296	8,132,052	24,030,616	3,566,449	24,831,339
Assumption Changes	176,324,617	-	80,999,642	162,092,668	56,025,218	-	-	232,927,458	97,813,304	24,514,349
Benefit Payments	(236,530,527)	(228,277,988)	(227,651,106)	(208,127,640)	(192,399,945)	(188,392,606)	(183,474,634)	(170,465,766)	(159,726,007)	(148,628,476)
Refunds	(1,211,258)	(1,078,315)	(1,579,603)	(1,387,209)	(715,829)	(732,596)	(782,240)	(811,383)	-	-
Distributions from Reserve Accounts	(37,879,649)	(3,977,811)	(18,012,991)	(15,237,677)	(24,557,185)	(55,472,334)	-	-	-	-
Other (Adj. to Report on Gross Basis and Net Changes in Reserves)	21,426,362	17,922,483	15,797,724	556,047	(3,075,278)	110,374,742	-	-	-	-
<b>Net Change in Total Pension Liability</b>	<b>366,243,261</b>	<b>233,206,209</b>	<b>336,669,646</b>	<b>312,609,429</b>	<b>195,061,992</b>	<b>209,048,462</b>	<b>143,462,882</b>	<b>391,094,365</b>	<b>203,287,047</b>	<b>129,637,644</b>
<b>Total Pension Liability - Beginning</b>	<b>5,166,668,244</b>	<b>4,933,462,035</b>	<b>4,596,792,389</b>	<b>4,284,182,960</b>	<b>4,089,120,968</b>	<b>3,880,072,506</b>	<b>3,736,609,624</b>	<b>3,345,515,259</b>	<b>3,142,228,212</b>	<b>3,012,590,568</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 5,532,911,505</b>	<b>\$ 5,166,668,244</b>	<b>\$ 4,933,462,035</b>	<b>\$ 4,596,792,389</b>	<b>\$ 4,284,182,960</b>	<b>\$ 4,089,120,968</b>	<b>\$ 3,880,072,506</b>	<b>\$ 3,736,609,624</b>	<b>\$ 3,345,515,259</b>	<b>\$ 3,142,228,212</b>
<b>Plan Fiduciary Net Position</b>										
Contributions - Employer (City) (Including Buyback)	\$ 174,039,920	\$ 156,847,592	\$ 157,520,476	\$ 134,725,329	\$ 123,328,488	\$ 110,527,718	\$ 115,690,989	\$ 184,526,198	\$ 157,494,371	\$ 154,664,523
Contributions - Employer (State)	21,426,362	18,423,121	15,797,724	14,306,665	13,888,871	12,756,091	11,791,197	10,874,768	10,680,624	10,577,853
Contributions - Non-Employer Contributing Entity	-	-	-	-	-	-	-	-	-	-
Contributions - Employee (Including Buyback)	16,884,900	17,791,429	18,277,234	19,118,319	19,035,433	17,745,867	16,636,624	13,570,483	12,830,861	12,061,321
Net Investment Income, including Securities Lending	451,800,288	273,430,029	(432,099,625)	490,416,930	159,428,214	54,129,569	156,442,808	243,421,930	154,313,142	(62,884,634)
Benefit Payments	(236,530,527)	(228,277,988)	(227,651,106)	(208,127,640)	(192,399,945)	(188,392,606)	(183,474,634)	(170,465,766)	(159,726,007)	(148,628,476)
Distributions from Reserve Accounts	(37,879,649)	(3,977,811)	(18,012,991)	(15,237,677)	(24,557,185)	(55,472,334)	-	-	-	-
Refunds	(1,211,258)	(1,078,315)	(1,579,603)	(1,387,209)	(715,829)	(732,596)	(782,240)	(811,383)	-	-
Administrative Expense	(2,743,301)	(2,544,070)	(2,145,943)	(2,204,771)	(2,184,754)	(2,116,593)	(2,137,969)	(2,173,617)	(3,519,224)	(2,228,452)
Court Fines	672,818	584,921	666,933	724,217	519,212	701,652	775,741	759,291	832,536	920,774
Other	317,863	283,179	(517,784)	(33,717)	672,843	(3,261,537)	82,245	51,404	122,886	327,418
<b>Net Change in Plan Fiduciary Net Position</b>	<b>386,777,416</b>	<b>231,482,087</b>	<b>(489,744,685)</b>	<b>432,300,446</b>	<b>97,015,348</b>	<b>(54,114,769)</b>	<b>115,024,761</b>	<b>279,753,308</b>	<b>173,029,189</b>	<b>(35,189,673)</b>
Cummulative Effect of Change in Accounting Principle	-	-	-	-	-	-	-	-	2,238,000	-
<b>Plan Fiduciary Net Position - Beginning (adjusted)</b>	<b>2,224,760,317</b>	<b>1,993,278,230</b>	<b>2,483,022,915</b>	<b>2,050,722,469</b>	<b>1,953,707,121</b>	<b>2,007,821,890</b>	<b>1,892,797,131</b>	<b>1,613,043,823</b>	<b>1,437,776,634</b>	<b>1,473,097,052</b>
<b>Plan Fiduciary Net Position - Ending</b>	<b>\$ 2,611,537,733</b>	<b>\$ 2,224,760,317</b>	<b>\$ 1,993,278,230</b>	<b>\$ 2,483,022,915</b>	<b>\$ 2,050,722,469</b>	<b>\$ 1,953,707,121</b>	<b>\$ 2,007,821,892</b>	<b>\$ 1,892,797,131</b>	<b>\$ 1,613,043,823</b>	<b>\$ 1,437,907,379</b>
less Reserve Accounts and Sr. Staff Assets	-	-	-	-	-	-	(126,819,144)	(127,638,125)	(99,645,357)	(83,502,014)
<b>Total Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 2,611,537,733</b>	<b>\$ 2,224,760,317</b>	<b>\$ 1,993,278,230</b>	<b>\$ 2,483,022,915</b>	<b>\$ 2,050,722,469</b>	<b>\$ 1,953,707,121</b>	<b>\$ 1,881,002,748</b>	<b>\$ 1,765,159,006</b>	<b>\$ 1,513,398,466</b>	<b>\$ 1,354,405,365</b>
<b>City's Net Pension Liability - Ending (a) - (b)</b>	<b>\$ 2,921,373,772</b>	<b>\$ 2,941,907,927</b>	<b>\$ 2,940,183,805</b>	<b>\$ 2,113,769,474</b>	<b>\$ 2,233,460,491</b>	<b>\$ 2,135,413,847</b>	<b>\$ 1,999,069,758</b>	<b>\$ 1,971,450,618</b>	<b>\$ 1,832,116,793</b>	<b>\$ 1,787,822,847</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	47.20 %	43.06 %	40.40 %	54.02 %	47.87 %	47.78 %	48.48 %	47.24 %	45.24 %	43.10 %
<b>Covered Payroll</b>	\$ 148,090,043	\$ 159,542,895	\$ 162,885,451	\$ 161,835,740	\$ 174,185,559	\$ 174,124,935	\$ 162,003,561	\$ 149,489,571	\$ 135,599,741	\$ 132,735,243
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	1,972.70 %	1,843.96 %	1,805.06 %	1,306.12 %	1,282.23 %	1,226.37 %	1,233.97 %	1,318.79 %	1,351.12 %	1,346.91 %





## SCHEDULE OF THE EMPLOYER'S NET PENSION LIABILITY

### GASB Statement No. 67

FY Ending September 30,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2015	\$ 3,142,228,212	\$ 1,354,405,365	\$ 1,787,822,847	43.10%	\$ 132,735,243	1,346.91%
2016	3,345,515,259	1,513,398,466	1,832,116,793	45.24%	135,599,741	1,351.12%
2017	3,736,609,624	1,765,159,006	1,971,450,618	47.24%	149,489,571	1,318.79%
2018	3,880,072,506	1,881,002,748	1,999,069,758	48.48%	162,003,561	1,233.97%
2019	4,089,120,968	1,953,707,121	2,135,413,847	47.78%	174,124,935	1,226.37%
2020	4,284,182,960	2,050,722,469	2,233,460,491	47.87%	174,185,559	1,282.23%
2021	4,596,792,389	2,483,022,915	2,113,769,474	54.02%	161,835,740	1,306.12%
2022	4,933,462,035	1,993,278,230	2,940,183,805	40.40%	162,885,451	1,805.06%
2023	5,166,668,244	2,224,760,317	2,941,907,927	43.06%	159,542,895	1,843.96%
2024	5,532,911,505	2,611,537,733	2,921,373,772	47.20%	148,090,043	1,972.70%



# NOTES TO NET PENSION LIABILITY

## GASB Statement No. 67

Valuation Date: September 30, 2024  
Measurement Date: September 30, 2024

### Methods and Assumptions Used to Determine Net Pension Liability:

Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Salary Increases	A range of 2.75% to 11.50%, depending on completed years of service, including inflation. For 2024 only, the 2.25% inflation component has been replaced with 12% for Firefighters and 13% for Police Officers. For 2025 and 2026 only, the 2.25% inflation component has been replaced with 5.0%.
Investment Rate of Return	6.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	PUB-2010 Headcount Weighted Safety Healthy Employee Mortality Table (for pre-retirement mortality) and the PUB-2010 Headcount Weighted Safety Healthy Retiree Mortality Table (for postretirement mortality), with separate rates for males and females and ages set forward one year, with mortality improvements projected to all future years after 2010 using Scale MP-2018. For males, the base mortality rates for both pre-retirement and post-retirement mortality are based on the Below Median Healthy tables. These are the same rates in use for Special Risk Class members of the Florida Retirement System (FRS) in their July 1, 2023 Actuarial Valuation, as mandated by Chapter 112.63, Florida Statutes.

### Other Information:

Notes See Discussion of Valuation Results in the October 1, 2024 Actuarial Valuation Report.



## SCHEDULE OF CONTRIBUTIONS

### GASB Statement No. 67

FY Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess) <sup>1</sup>	Covered Payroll	Actual Contribution as a % of Covered Payroll
2015	\$153,603,996	\$153,935,565	\$ (331,569)	\$132,735,243	115.97%
2016	149,499,492	149,499,492 *	-	135,599,741	110.25%
2017	167,788,151	167,788,151 **	-	149,489,571	112.24%
2018	135,648,057	115,690,989	19,957,068 ***	162,003,561	71.41%
2019	135,264,010	110,527,718	24,736,292 ***	174,124,935	63.48%
2020	140,292,637	123,328,488	16,964,149 ***	174,185,559	70.80%
2021	148,475,947	134,725,329	13,750,618 ***	161,835,740	83.25%
2022	157,352,434	157,352,434	-	162,885,451	96.60%
2023	156,993,838	156,847,592	146,246 ***	159,542,895	98.31%
2024	174,039,920	174,039,920	-	148,090,043	117.52%

<sup>1</sup>Contribution deficiency (excess) was assigned to the City Budget Stabilization Account prior to fiscal year ending September 30, 2016.

\*Plus \$5,000,000 Supplemental Payment

\*\*Plus \$10,000,000 Supplemental Payment

\*\*\*Contributions of \$20,000,000, \$24,736,292, \$16,964,149, \$13,750,618, and \$146,246 were allocated from the City Contribution Reserve (resulting from previous years' excess contributions) to fully meet the Actuarially Determined Contributions for fiscal years ending September 30, 2018, 2019, 2020, 2021 and 2023, respectively.



# NOTES TO SCHEDULE OF CONTRIBUTIONS

## GASB Statement No. 67

**Valuation Date:** October 1, 2022  
**Notes** Actuarially determined contribution rates are calculated as of October 1, which is two years prior to the end of the fiscal year in which contributions are reported.

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Payroll, Closed
Remaining Amortization Period	25 years
Asset Valuation Method	5-year smoothed market
Inflation	2.25%
Salary Increases	A range of 2.75% to 11.50%, depending on completed years of service, including inflation.
Investment Rate of Return	6.500%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	PUB-2010 Headcount Weighted Safety Healthy Employee Mortality Table (for pre-retirement mortality) and the PUB-2010 Headcount Weighted Safety Healthy Retiree Mortality Table (for postretirement mortality), with separate rates for males and females and ages set forward one year, with mortality improvements projected to all future years after 2010 using Scale MP-2018. For males, the base mortality rates for both pre-retirement and post-retirement mortality are based on the Below Median Healthy tables. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS), as mandated by Chapter 112.63, Florida Statutes.

**Other Information:**

**Notes** See Discussion of Valuation Results in the October 1, 2022 Actuarial Valuation Report, dated May 8, 2023.



## SINGLE DISCOUNT RATE

### GASB Statement No. 67

A single discount rate of 6.50% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 6.50%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (6.50%) was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan’s net pension liability, calculated using a single discount rate of 6.50%, as well as what the plan’s net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

#### Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption

1% Decrease	Current Single Discount Rate Assumption	1% Increase
5.50%	6.50%	7.50%
\$3,750,548,940	\$2,921,373,772	\$2,255,350,231

## CALCULATION OF THE SINGLE DISCOUNT RATE

### GASB Statement No. 67

GASB Statement No. 67 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, future pension liability surtax revenue (using the prescribed annual increase assumption of 4.25%, which was set by the City of Jacksonville), employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

We are unable to assess the risk that the timing and/or amount of future pension liability surtax proceeds may significantly deviate from the projections (due to legal challenges, economic hardships, or any other reason). Any such deviations could have a significant impact on the required contribution amount shown herein and on the future solvency risk that the Fund’s future assets may be insufficient to cover all future benefit payments.

The *Single Discount Rate* (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on the Bond Buyer 20-Bond Index of general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 6.50%; the municipal bond rate is 3.81%; and the resulting single discount rate is 6.50%.

The tables in this section provide background for the development of the single discount rate.

The **Projection of Contributions** table shows the development of expected contributions in future years.

The **Projection of Plan Fiduciary Net Position** table shows the development of expected asset levels in future years.

**The Present Values of Projected Benefit Payments table shows the development of the Single Discount Rate (SDR). It breaks down the benefit payments into present values for funded and unfunded portions and shows the equivalent total at the SDR.**



## SINGLE DISCOUNT RATE DEVELOPMENT PROJECTION OF CONTRIBUTIONS ENDING SEPTEMBER 30 FOR 2025 TO 2074

Year	Payroll for Current	Contributions from	Service Cost and	UAL	Pension Liability	Additional	Total Contributions
	Employees	Current Employees	Expense	Contributions	Surtax	Contributions	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)=(b)+(c)+(d)+(e)+(f)
1	166,632,100	\$ 17,196,239	\$ 66,664,248	\$ 109,245,858	\$ -	\$ -	\$ 193,106,344
2	159,939,600	16,505,581	64,271,898	107,598,249	-	-	188,375,728
3	156,838,944	16,185,597	63,293,105	108,943,227	-	-	188,421,929
4	147,120,558	15,182,671	59,694,525	110,305,018	-	-	185,182,214
5	138,219,533	14,264,095	56,429,193	111,683,830	-	-	182,377,118
6	126,708,645	13,076,185	52,156,812	113,079,878	-	-	178,312,875
7	114,878,262	11,855,303	47,668,170	114,493,377	74,479,136	-	248,495,986
8	109,237,242	11,273,156	45,552,651	115,924,544	103,525,999	-	276,276,350
9	103,881,787	10,720,480	43,554,202	117,373,601	107,925,854	-	279,574,136
10	96,557,127	9,964,583	40,803,960	118,840,771	112,512,702	-	282,122,016
11	85,639,548	8,837,902	36,619,527	120,326,280	117,294,492	-	283,078,201
12	72,098,361	7,440,467	31,436,730	121,830,359	122,279,508	-	282,987,064
13	59,598,023	6,150,447	26,716,330	123,353,238	127,476,387	-	283,696,403
14	43,321,942	4,470,774	20,534,195	124,895,154	132,894,134	-	282,794,256
15	29,007,684	2,993,559	15,151,816	126,456,343	138,542,134	-	283,143,853
16	21,536,130	2,222,504	12,348,984	128,037,048	144,430,175	-	287,038,711
17	16,635,130	1,716,726	10,540,507	129,637,511	150,568,458	-	292,463,202
18	12,535,560	1,293,655	9,036,975	131,257,980	156,967,617	-	298,556,226
19	9,158,072	945,102	7,810,112	132,898,704	163,638,741	-	305,292,659
20	6,316,759	651,882	6,790,208	134,559,938	170,593,387	-	312,595,416
21	3,822,250	394,452	5,908,585	136,241,937	177,843,606	-	320,388,581
22	2,385,180	246,148	5,445,756	137,944,962	185,401,959	-	329,038,825
23	839,933	86,680	4,940,299	139,669,274	193,281,543	-	337,977,796
24	-	-	4,722,855	-	201,496,008	105,277,145	311,496,008
25	-	-	4,829,118	-	210,059,589	105,170,882	320,059,589
26	-	-	4,937,773	-	218,987,121	105,062,227	328,987,121
27	-	-	5,048,873	-	228,294,074	104,951,127	338,294,074
28	-	-	5,162,472	-	237,996,572	104,837,528	347,996,572
29	-	-	5,278,628	-	248,111,426	104,721,372	358,111,426
30	-	-	5,397,397	-	258,656,162	104,602,603	368,656,162
31	-	-	5,518,839	-	269,649,049	104,481,161	379,649,049
32	-	-	5,643,013	-	281,109,133	104,356,987	391,109,133
33	-	-	5,769,980	-	-	-	5,769,980
34	-	-	5,899,804	-	-	-	5,899,804
35	-	-	6,032,550	-	-	-	6,032,550
36	-	-	6,168,282	-	-	-	6,168,282
37	-	-	6,307,068	-	-	-	6,307,068
38	-	-	6,448,977	-	-	-	6,448,977
39	-	-	6,594,079	-	-	-	6,594,079
40	-	-	6,742,445	-	-	-	6,742,445
41	-	-	6,894,151	-	-	-	6,894,151
42	-	-	7,049,269	-	-	-	7,049,269
43	-	-	7,207,877	-	-	-	7,207,877
44	-	-	7,370,054	-	-	-	7,370,054
45	-	-	7,535,880	-	-	-	7,535,880
46	-	-	7,705,438	-	-	-	7,705,438
47	-	-	7,878,810	-	-	-	7,878,810
48	-	-	8,056,083	-	-	-	8,056,083
49	-	-	8,237,345	-	-	-	8,237,345
50	-	-	8,422,685	-	-	-	8,422,685



## SINGLE DISCOUNT RATE DEVELOPMENT PROJECTION OF CONTRIBUTIONS ENDING SEPTEMBER 30 FOR 2075 TO 2124

Year	Payroll for Current	Contributions from	Service Cost and	UAL	Pension Liability	Additional	Total Contributions
	Employees	Current Employees	Expense	Contributions	Surtax	Contributions	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)=(b)+(c)+(d)+(e)+(f)
51	-	-	8,612,195	-	-	-	8,612,195
52	-	-	8,805,969	-	-	-	8,805,969
53	-	-	9,004,104	-	-	-	9,004,104
54	-	-	9,206,696	-	-	-	9,206,696
55	-	-	9,413,847	-	-	-	9,413,847
56	-	-	9,625,659	-	-	-	9,625,659
57	-	-	9,842,236	-	-	-	9,842,236
58	-	-	10,063,686	-	-	-	10,063,686
59	-	-	10,290,119	-	-	-	10,290,119
60	-	-	10,521,647	-	-	-	10,521,647
61	-	-	10,758,384	-	-	-	10,758,384
62	-	-	11,000,447	-	-	-	11,000,447
63	-	-	11,247,957	-	-	-	11,247,957
64	-	-	11,501,036	-	-	-	11,501,036
65	-	-	11,759,809	-	-	-	11,759,809
66	-	-	12,024,404	-	-	-	12,024,404
67	-	-	12,294,954	-	-	-	12,294,954
68	-	-	12,571,591	-	-	-	12,571,591
69	-	-	12,854,451	-	-	-	12,854,451
70	-	-	13,143,676	-	-	-	13,143,676
71	-	-	13,439,409	-	-	-	13,439,409
72	-	-	13,741,796	-	-	-	13,741,796
73	-	-	14,050,986	-	-	-	14,050,986
74	-	-	14,367,134	-	-	-	14,367,134
75	-	-	14,690,394	-	-	-	14,690,394
76	-	-	15,020,927	-	-	-	15,020,927
77	-	-	15,358,898	-	-	-	15,358,898
78	-	-	15,704,473	-	-	-	15,704,473
79	-	-	16,057,824	-	-	-	16,057,824
80	-	-	16,419,125	-	-	-	16,419,125
81	-	-	16,788,555	-	-	-	16,788,555
82	-	-	17,166,298	-	-	-	17,166,298
83	-	-	17,552,539	-	-	-	17,552,539
84	-	-	17,947,471	-	-	-	17,947,471
85	-	-	18,351,289	-	-	-	18,351,289
86	-	-	18,764,193	-	-	-	18,764,193
87	-	-	19,186,387	-	-	-	19,186,387
88	-	-	19,618,081	-	-	-	19,618,081
89	-	-	20,059,489	-	-	-	20,059,489
90	-	-	20,510,827	-	-	-	20,510,827
91	-	-	20,972,321	-	-	-	20,972,321
92	-	-	21,444,198	-	-	-	21,444,198
93	-	-	21,926,693	-	-	-	21,926,693
94	-	-	22,420,043	-	-	-	22,420,043
95	-	-	22,924,495	-	-	-	22,924,495
96	-	-	23,440,296	-	-	-	23,440,296
97	-	-	23,967,703	-	-	-	23,967,703
98	-	-	24,506,977	-	-	-	24,506,977
99	-	-	25,058,384	-	-	-	25,058,384
100	-	-	25,622,197	-	-	-	25,622,197





## SINGLE DISCOUNT RATE DEVELOPMENT PROJECTION OF PLAN FIDUCIARY NET POSITION ENDING SEPTEMBER 30 FOR 2025 TO 2074

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expenses	Projected Investment Earnings at 6.50%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)	(f)=(a)+(b)-(c)-(d)+(e)
1	\$ 2,591,940,400	\$ 193,106,344	\$ 248,089,511	\$ 2,831,055	\$ 166,626,743	\$ 2,700,752,922
2	2,700,752,922	188,375,728	263,556,296	2,894,753	173,051,438	2,795,729,039
3	2,795,729,039	188,421,929	281,697,956	2,959,885	178,643,957	2,878,137,085
4	2,878,137,085	185,182,214	301,852,400	3,026,482	183,250,009	2,941,690,425
5	2,941,690,425	182,377,118	313,562,765	3,094,578	186,914,472	2,994,324,672
6	2,994,324,672	178,312,875	337,181,893	3,164,206	189,447,925	3,021,739,372
7	3,021,739,372	248,495,986	345,652,203	3,235,401	193,201,695	3,114,549,449
8	3,114,549,449	276,276,350	363,622,573	3,308,198	199,545,827	3,223,440,854
9	3,223,440,854	279,574,136	375,114,228	3,382,632	206,359,279	3,330,877,409
10	3,330,877,409	282,122,016	392,691,621	3,458,741	212,859,450	3,429,708,514
11	3,429,708,514	283,078,201	411,301,860	3,536,562	218,716,258	3,516,664,551
12	3,516,664,551	282,987,064	418,512,034	3,616,135	224,132,298	3,601,655,744
13	3,601,655,744	283,696,403	428,345,139	3,697,498	229,362,269	3,682,671,778
14	3,682,671,778	282,794,256	439,330,316	3,780,691	234,245,394	3,756,600,422
15	3,756,600,422	283,143,853	454,326,260	3,865,757	238,579,522	3,820,131,779
16	3,820,131,779	287,038,711	472,831,081	3,952,736	242,238,929	3,872,625,602
17	3,872,625,602	292,463,202	484,042,994	4,041,673	245,463,052	3,922,467,189
18	3,922,467,189	298,556,226	503,926,346	4,132,611	248,258,716	3,961,223,174
19	3,961,223,174	305,292,659	518,765,200	4,225,595	250,515,697	3,994,040,736
20	3,994,040,736	312,595,416	523,777,765	4,320,671	252,719,057	4,031,256,772
21	4,031,256,772	320,388,581	528,785,931	4,417,886	255,224,077	4,073,665,613
22	4,073,665,613	329,038,825	532,281,383	4,517,289	258,142,366	4,124,048,132
23	4,124,048,132	337,977,796	534,866,870	4,618,928	261,617,216	4,184,157,345
24	4,184,157,345	311,496,008	536,565,400	4,722,855	264,619,548	4,218,984,647
25	4,218,984,647	320,059,589	537,657,607	4,829,118	267,118,920	4,263,676,429
26	4,263,676,429	328,987,121	537,834,606	4,937,773	270,300,326	4,320,191,497
27	4,320,191,497	338,294,074	536,768,987	5,048,873	274,302,053	4,390,969,763
28	4,390,969,763	347,996,572	534,655,747	5,162,472	279,276,972	4,478,425,089
29	4,478,425,089	358,111,426	531,533,565	5,278,628	285,381,284	4,585,105,606
30	4,585,105,606	368,656,162	527,513,585	5,397,397	292,777,620	4,713,628,406
31	4,713,628,406	379,649,049	522,081,535	5,518,839	301,653,124	4,867,330,205
32	4,867,330,205	391,109,133	513,686,077	5,643,013	312,274,916	5,051,385,165
33	5,051,385,165	5,769,980	503,696,235	5,769,980	312,227,613	4,859,916,543
34	4,859,916,543	5,899,804	492,402,385	5,899,804	300,143,425	4,667,657,583
35	4,667,657,583	6,032,550	482,865,688	6,032,550	287,951,656	4,472,743,551
36	4,472,743,551	6,168,282	471,046,420	6,168,282	275,660,323	4,277,357,454
37	4,277,357,454	6,307,068	460,313,493	6,307,068	263,303,555	4,080,347,516
38	4,080,347,516	6,448,977	447,520,755	6,448,977	250,907,128	3,883,733,889
39	3,883,733,889	6,594,079	435,072,732	6,594,079	238,525,434	3,687,186,591
40	3,687,186,591	6,742,445	420,921,209	6,742,445	226,202,544	3,492,467,926
41	3,492,467,926	6,894,151	405,254,281	6,894,151	214,046,990	3,301,260,635
42	3,301,260,635	7,049,269	391,491,679	7,049,269	202,058,760	3,111,827,716
43	3,111,827,716	7,207,877	377,369,210	7,207,877	190,197,375	2,924,655,881
44	2,924,655,881	7,370,054	362,987,339	7,370,054	178,491,258	2,740,159,800
45	2,740,159,800	7,535,880	347,146,114	7,535,880	167,005,748	2,560,019,434
46	2,560,019,434	7,705,438	330,163,340	7,705,438	155,839,875	2,385,695,969
47	2,385,695,969	7,878,810	313,777,828	7,878,810	145,032,996	2,216,951,137
48	2,216,951,137	8,056,083	295,960,163	8,056,083	134,634,540	2,055,625,514
49	2,055,625,514	8,237,345	278,540,447	8,237,345	124,705,603	1,901,790,670
50	1,901,790,670	8,422,685	263,144,580	8,422,685	115,198,827	1,753,844,917

*Reserve Accounts and Sr. Staff Plan Assets are excluded from the Plan Net Position for the purpose of this projection.*



## SINGLE DISCOUNT RATE DEVELOPMENT PROJECTION OF PLAN FIDUCIARY NET POSITION ENDING SEPTEMBER 30 FOR 2075 TO 2124

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expenses	Projected Investment Earnings at 6.50%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)	(f)=(a)+(b)-(c)-(d)+(e)
51	1,753,844,917	8,612,195	248,262,338	8,612,195	106,058,412	1,611,640,991
52	1,611,640,991	8,805,969	233,748,382	8,805,969	97,279,434	1,475,172,043
53	1,475,172,043	9,004,104	219,430,841	9,004,104	88,866,947	1,344,608,149
54	1,344,608,149	9,206,696	205,308,673	9,206,696	80,832,039	1,220,131,515
55	1,220,131,515	9,413,847	191,352,223	9,413,847	73,187,502	1,101,966,794
56	1,101,966,794	9,625,659	177,668,643	9,625,659	65,944,511	990,242,662
57	990,242,662	9,842,236	164,309,116	9,842,236	59,109,792	885,043,338
58	885,043,338	10,063,686	151,205,429	10,063,686	52,691,001	786,528,910
59	786,528,910	10,290,119	138,583,494	10,290,119	46,691,319	694,636,735
60	694,636,735	10,521,647	126,429,467	10,521,647	41,107,115	609,314,383
61	609,314,383	10,758,384	114,634,970	10,758,384	35,938,449	530,617,862
62	530,617,862	11,000,447	103,258,889	11,000,447	31,187,077	458,546,050
63	458,546,050	11,247,957	92,357,238	11,247,957	26,851,136	393,039,948
64	393,039,948	11,501,036	81,985,598	11,501,036	22,925,011	333,979,361
65	333,979,361	11,759,809	72,192,865	11,759,809	19,399,326	281,185,822
66	281,185,822	12,024,404	63,019,576	12,024,404	16,261,185	234,427,431
67	234,427,431	12,294,954	54,500,712	12,294,954	13,494,394	193,421,113
68	193,421,113	12,571,591	46,664,165	12,571,591	11,079,662	157,836,610
69	157,836,610	12,854,451	39,530,300	12,854,451	8,994,870	127,301,180
70	127,301,180	13,143,676	33,107,911	13,143,676	7,215,509	101,408,778
71	101,408,778	13,439,409	27,394,100	13,439,409	5,715,278	79,729,956
72	79,729,956	13,741,796	22,374,558	13,741,796	4,466,721	61,822,119
73	61,822,119	14,050,986	18,024,657	14,050,986	3,441,858	47,239,320
74	47,239,320	14,367,134	14,309,595	14,367,134	2,612,815	35,542,540
75	35,542,540	14,690,394	11,185,907	14,690,394	1,952,446	26,309,079
76	26,309,079	15,020,927	8,602,239	15,020,927	1,434,919	19,141,758
77	19,141,758	15,358,898	6,501,913	15,358,898	1,036,229	13,676,074
78	13,676,074	15,704,473	4,825,266	15,704,473	734,592	9,585,400
79	9,585,400	16,057,824	3,512,323	16,057,824	510,698	6,583,775
80	6,583,775	16,419,125	2,504,824	16,419,125	347,820	4,426,771
81	4,426,771	16,788,555	1,748,209	16,788,555	231,818	2,910,380
82	2,910,380	17,166,298	1,192,574	17,166,298	151,026	1,868,832
83	1,868,832	17,552,539	794,133	17,552,539	96,071	1,170,770
84	1,170,770	17,947,471	515,424	17,947,471	59,612	714,958
85	714,958	18,351,289	325,701	18,351,289	36,054	425,311
86	425,311	18,764,193	200,248	18,764,193	21,240	246,303
87	246,303	19,186,387	119,757	19,186,387	12,179	138,725
88	138,725	19,618,081	69,643	19,618,081	6,789	75,871
89	75,871	20,059,489	39,299	20,059,489	3,675	40,247
90	40,247	20,510,827	21,536	20,510,827	1,927	20,638
91	20,638	20,972,321	11,437	20,972,321	976	10,177
92	10,177	21,444,198	5,878	21,444,198	473	4,772
93	4,772	21,926,693	2,905	21,926,693	217	2,084
94	2,084	22,420,043	1,346	22,420,043	92	830
95	830	22,924,495	576	22,924,495	36	290
96	290	23,440,296	220	23,440,296	12	82
97	82	23,967,703	71	23,967,703	3	14
98	14	24,506,977	14	24,506,977	0	0
99	-	25,058,384	-	25,058,384	-	-
100	-	25,622,197	-	25,622,197	-	-

Reserve Accounts and Sr. Staff Plan Assets are excluded from the Plan Net Position for the purpose of this projection.



## SINGLE DISCOUNT RATE DEVELOPMENT PRESENT VALUES OF PROJECTED BENEFITS ENDING SEPTEMBER 30 FOR 2025 TO 2074

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v <sup>((a)-.5)</sup>	(g)=(e)*vf <sup>^((a)-.5)</sup>	(h)=[(c)/(1+sdr) <sup>^((a)-.5)</sup>
1	\$ 2,591,940,400	\$ 248,089,511	\$ 248,089,511	\$ -	\$ 240,399,522	\$ -	\$ 240,399,522
2	2,700,752,922	263,556,296	263,556,296	-	239,799,892	-	239,799,892
3	2,795,729,039	281,697,956	281,697,956	-	240,663,194	-	240,663,194
4	2,878,137,085	301,852,400	301,852,400	-	242,142,491	-	242,142,491
5	2,941,690,425	313,562,765	313,562,765	-	236,184,423	-	236,184,423
6	2,994,324,672	337,181,893	337,181,893	-	238,474,201	-	238,474,201
7	3,021,739,372	345,652,203	345,652,203	-	229,544,493	-	229,544,493
8	3,114,549,449	363,622,573	363,622,573	-	226,740,332	-	226,740,332
9	3,223,440,854	375,114,228	375,114,228	-	219,630,106	-	219,630,106
10	3,330,877,409	392,691,621	392,691,621	-	215,888,923	-	215,888,923
11	3,429,708,514	411,301,860	411,301,860	-	212,319,456	-	212,319,456
12	3,516,664,551	418,512,034	418,512,034	-	202,855,815	-	202,855,815
13	3,601,655,744	428,345,139	428,345,139	-	194,950,227	-	194,950,227
14	3,682,671,778	439,330,316	439,330,316	-	187,746,335	-	187,746,335
15	3,756,600,422	454,326,260	454,326,260	-	182,304,978	-	182,304,978
16	3,820,131,779	472,831,081	472,831,081	-	178,150,521	-	178,150,521
17	3,872,625,602	484,042,994	484,042,994	-	171,244,018	-	171,244,018
18	3,922,467,189	503,926,346	503,926,346	-	167,397,485	-	167,397,485
19	3,961,223,174	518,765,200	518,765,200	-	161,809,155	-	161,809,155
20	3,994,040,736	523,777,765	523,777,765	-	153,401,535	-	153,401,535
21	4,031,256,772	528,785,931	528,785,931	-	145,416,247	-	145,416,247
22	4,073,665,613	532,281,383	532,281,383	-	137,443,659	-	137,443,659
23	4,124,048,132	534,866,870	534,866,870	-	129,681,947	-	129,681,947
24	4,184,157,345	536,565,400	536,565,400	-	122,153,772	-	122,153,772
25	4,218,984,647	537,657,607	537,657,607	-	114,931,852	-	114,931,852
26	4,263,676,429	537,834,606	537,834,606	-	107,952,759	-	107,952,759
27	4,320,191,497	536,768,987	536,768,987	-	101,163,259	-	101,163,259
28	4,390,969,763	534,655,747	534,655,747	-	94,615,007	-	94,615,007
29	4,478,425,089	531,533,565	531,533,565	-	88,321,589	-	88,321,589
30	4,585,105,606	527,513,585	527,513,585	-	82,303,863	-	82,303,863
31	4,713,628,406	522,081,535	522,081,535	-	76,484,828	-	76,484,828
32	4,867,330,205	513,686,077	513,686,077	-	70,661,874	-	70,661,874
33	5,051,385,165	503,696,235	503,696,235	-	65,058,860	-	65,058,860
34	4,859,916,543	492,402,385	492,402,385	-	59,718,417	-	59,718,417
35	4,667,657,583	482,865,688	482,865,688	-	54,987,614	-	54,987,614
36	4,472,743,551	471,046,420	471,046,420	-	50,367,759	-	50,367,759
37	4,277,357,454	460,313,493	460,313,493	-	46,216,071	-	46,216,071
38	4,080,347,516	447,520,755	447,520,755	-	42,189,355	-	42,189,355
39	3,883,733,889	435,072,732	435,072,732	-	38,512,523	-	38,512,523
40	3,687,186,591	420,921,209	420,921,209	-	34,985,759	-	34,985,759
41	3,492,467,926	405,254,281	405,254,281	-	31,627,765	-	31,627,765
42	3,301,260,635	391,491,679	391,491,679	-	28,688,894	-	28,688,894
43	3,111,827,716	377,369,210	377,369,210	-	25,966,184	-	25,966,184
44	2,924,655,881	362,987,339	362,987,339	-	23,452,197	-	23,452,197
45	2,740,159,800	347,146,114	347,146,114	-	21,059,825	-	21,059,825
46	2,560,019,434	330,163,340	330,163,340	-	18,807,094	-	18,807,094
47	2,385,695,969	313,777,828	313,777,828	-	16,782,841	-	16,782,841
48	2,216,951,137	295,960,163	295,960,163	-	14,863,699	-	14,863,699
49	2,055,625,514	278,540,447	278,540,447	-	13,135,067	-	13,135,067
50	1,901,790,670	263,144,580	263,144,580	-	11,651,688	-	11,651,688

Reserve Accounts and Sr. Staff Plan Assets are excluded from the Plan Net Position for the purpose of this projection.



## SINGLE DISCOUNT RATE DEVELOPMENT PRESENT VALUES OF PROJECTED BENEFITS ENDING SEPTEMBER 30 FOR 2075 TO 2124

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v <sup>(a)-.5</sup>	(g)=(e)*vf <sup>(a)-.5</sup>	(h)=[(c)/(1+sdr)] <sup>(a)-.5</sup>
51	\$ 1,753,844,917	\$ 248,262,338	\$ 248,262,338	\$ -	\$ 10,321,805	\$ -	\$ 10,321,805
52	1,611,640,991	233,748,382	233,748,382	-	9,125,230	-	9,125,230
53	1,475,172,043	219,430,841	219,430,841	-	8,043,467	-	8,043,467
54	1,344,608,149	205,308,673	205,308,673	-	7,066,482	-	7,066,482
55	1,220,131,515	191,352,223	191,352,223	-	6,184,148	-	6,184,148
56	1,101,966,794	177,668,643	177,668,643	-	5,391,474	-	5,391,474
57	990,242,662	164,309,116	164,309,116	-	4,681,756	-	4,681,756
58	885,043,338	151,205,429	151,205,429	-	4,045,432	-	4,045,432
59	786,528,910	138,583,494	138,583,494	-	3,481,444	-	3,481,444
60	694,636,735	126,429,467	126,429,467	-	2,982,268	-	2,982,268
61	609,314,383	114,634,970	114,634,970	-	2,539,018	-	2,539,018
62	530,617,862	103,258,889	103,258,889	-	2,147,467	-	2,147,467
63	458,546,050	92,357,238	92,357,238	-	1,803,518	-	1,803,518
64	393,039,948	81,985,598	81,985,598	-	1,503,272	-	1,503,272
65	333,979,361	72,192,865	72,192,865	-	1,242,924	-	1,242,924
66	281,185,822	63,019,576	63,019,576	-	1,018,770	-	1,018,770
67	234,427,431	54,500,712	54,500,712	-	827,281	-	827,281
68	193,421,113	46,664,165	46,664,165	-	665,097	-	665,097
69	157,836,610	39,530,300	39,530,300	-	529,032	-	529,032
70	127,301,180	33,107,911	33,107,911	-	416,039	-	416,039
71	101,408,778	27,394,100	27,394,100	-	323,229	-	323,229
72	79,729,956	22,374,558	22,374,558	-	247,889	-	247,889
73	61,822,119	18,024,657	18,024,657	-	187,508	-	187,508
74	47,239,320	14,309,595	14,309,595	-	139,776	-	139,776
75	35,542,540	11,185,907	11,185,907	-	102,595	-	102,595
76	26,309,079	8,602,239	8,602,239	-	74,083	-	74,083
77	19,141,758	6,501,913	6,501,913	-	52,577	-	52,577
78	13,676,074	4,825,266	4,825,266	-	36,638	-	36,638
79	9,585,400	3,512,323	3,512,323	-	25,041	-	25,041
80	6,583,775	2,504,824	2,504,824	-	16,768	-	16,768
81	4,426,771	1,748,209	1,748,209	-	10,989	-	10,989
82	2,910,380	1,192,574	1,192,574	-	7,039	-	7,039
83	1,868,832	794,133	794,133	-	4,401	-	4,401
84	1,170,770	515,424	515,424	-	2,682	-	2,682
85	714,958	325,701	325,701	-	1,591	-	1,591
86	425,311	200,248	200,248	-	919	-	919
87	246,303	119,757	119,757	-	516	-	516
88	138,725	69,643	69,643	-	282	-	282
89	75,871	39,299	39,299	-	149	-	149
90	40,247	21,536	21,536	-	77	-	77
91	20,638	11,437	11,437	-	38	-	38
92	10,177	5,878	5,878	-	18	-	18
93	4,772	2,905	2,905	-	9	-	9
94	2,084	1,346	1,346	-	4	-	4
95	830	576	576	-	1	-	1
96	290	220	220	-	1	-	1
97	82	71	71	-	0	-	0
98	14	14	14	-	0	-	0
99	-	-	-	-	-	-	-
100	-	-	-	-	-	-	-
<b>Totals</b>					\$ 6,086,100,114	\$ -	\$ 6,086,100,114

Reserve Accounts and Sr. Staff Plan Assets are excluded from the Plan Net Position for the purpose of this projection.



## **SECTION E**

---

### **PROJECTION OF ASSETS, LIABILITIES AND CONTRIBUTION REQUIREMENTS**

**Jacksonville Police and Fire Pension Fund**  
**40-Year Projection - Current Plan, Methods and Assumptions**

Valuation Date	Covered October 1 Payroll	Actuarial Accrued Liability	Net Actuarial Value of Assets	Unfunded Actuarial Accrued Liability	Net Present Value of Future Pension Liability Surtax Proceeds		Net Unfunded Actuarial Accrued Liability	Funded Ratio on Valuation Date	Total Contribution				
					Fiscal Year Ending	Pension Liability Contribution			% of Total Cont'n	Required City Contribution <sup>12</sup>	% of Total Cont'n	Total Contribution	
10/1/24	166,632,100	5,513,314,172	2,431,323,093	3,081,991,079	1,468,570,644	1,613,420,435	44.10%	2025	0	0.0%	178,068,316	100.0%	178,068,316
10/1/25	159,939,600	5,699,275,535	2,558,770,748	3,140,504,787	1,564,027,736	1,576,477,051	44.90%	2026	0	0.0%	201,398,829	100.0%	201,398,829
10/1/26	156,838,944	5,878,115,480	2,633,538,948	3,244,576,532	1,665,689,539	1,578,886,993	44.80%	2028	0	0.0%	202,200,613	100.0%	202,200,613
10/1/27	147,120,558	6,048,450,500	2,812,392,047	3,236,058,453	1,773,959,359	1,462,099,094	46.50%	2029	0	0.0%	193,534,013	100.0%	193,534,013
10/1/28	138,219,533	6,204,240,717	2,954,702,098	3,249,538,619	1,889,266,717	1,360,271,902	47.62%	2030	0	0.0%	186,358,825	100.0%	186,358,825
10/1/29	126,708,645	6,353,684,319	3,021,683,838	3,332,000,481	2,012,069,054	1,319,931,427	47.56%	2031	74,479,136	28.9%	183,261,970	71.1%	257,741,106
10/1/30	114,878,262	6,482,760,276	3,059,125,437	3,423,634,839	2,142,853,543	1,280,781,296	47.19%	2032	103,525,999	36.5%	180,410,321	63.5%	283,936,320
10/1/31	109,237,242	6,605,519,276	3,161,208,986	3,444,310,290	2,282,139,023	1,162,171,267	47.86%	2033	107,925,854	37.5%	179,857,593	62.5%	287,783,447
10/1/32	103,881,787	6,714,853,312	3,277,619,936	3,437,233,376	2,354,219,125	1,083,014,251	48.81%	2034	112,512,702	38.5%	179,725,085	61.5%	292,237,787
10/1/33	96,557,127	6,816,725,260	3,392,332,190	3,424,393,070	2,400,405,741	1,023,987,329	49.76%	2035	117,294,492	39.6%	178,820,950	60.4%	296,115,442
10/1/34	85,639,548	6,903,382,380	3,499,467,638	3,403,914,742	2,445,053,889	958,860,853	50.69%	2036	122,279,508	40.9%	176,448,364	59.1%	298,727,872
10/1/35	72,098,361	6,970,905,345	3,596,435,303	3,374,470,042	2,487,870,591	886,599,451	51.59%	2037	127,476,387	42.5%	172,768,129	57.5%	300,244,516
10/1/36	59,598,023	7,028,503,644	3,692,853,020	3,335,650,624	2,528,535,627	807,114,997	52.54%	2038	132,894,134	44.0%	169,310,923	56.0%	302,205,057
10/1/37	43,321,942	7,073,411,535	3,784,950,099	3,288,461,436	2,566,699,412	721,762,024	53.51%	2039	138,542,134	45.8%	164,280,836	54.2%	302,822,970
10/1/38	29,007,684	7,101,702,715	3,871,446,696	3,230,256,019	2,601,980,725	628,275,294	54.51%	2040	144,430,175	47.5%	159,815,974	52.5%	304,246,149
10/1/39	21,536,130	7,109,190,374	3,946,521,080	3,162,669,294	2,633,964,271	528,705,023	55.51%	2041	150,568,458	48.8%	158,097,744	51.2%	308,666,202
10/1/40	16,635,130	7,094,289,999	4,007,147,965	3,087,142,034	2,662,198,077	424,943,957	56.48%	2042	156,967,617	49.9%	157,856,245	50.1%	314,823,862
10/1/41	12,535,560	7,064,370,471	4,063,264,413	3,001,106,058	2,686,190,691	314,915,367	57.52%	2043	163,638,741	50.9%	158,136,984	49.1%	321,775,725
10/1/42	9,158,072	7,009,904,705	4,107,562,161	2,902,342,544	2,705,408,188	196,934,356	58.60%	2044	170,593,387	51.8%	158,892,211	48.2%	329,485,598
10/1/43	6,316,759	6,934,863,371	4,145,231,929	2,789,631,442	2,719,270,965	70,360,477	59.77%	2045	177,843,606	52.7%	159,920,440	47.3%	337,764,046
10/1/44	3,822,250	6,848,318,195	4,186,814,384	2,661,503,811	2,727,150,300	(65,646,489)	61.14%	2046	185,401,959	53.5%	160,940,311	46.5%	346,342,270
10/1/45	2,385,180	6,749,703,399	4,233,315,589	2,516,387,810	2,728,364,677	(211,976,867)	62.72%	2047	193,281,543	54.4%	161,938,392	45.6%	355,219,935
10/1/46	839,933	6,640,338,112	4,287,097,213	2,353,240,899	2,722,175,848	(368,934,949)	64.56%	2048	201,496,008	64.7%	110,000,000	35.3%	311,496,008
10/1/47	0	6,520,404,803	4,349,833,762	2,170,571,041	2,707,784,611	(537,213,570)	66.71%	2049	210,059,589	65.6%	110,000,000	34.4%	320,059,589
10/1/48	0	6,390,501,862	4,367,092,343	2,023,409,519	2,684,326,307	(660,916,788)	68.34%	2050	218,987,121	66.6%	110,000,000	33.4%	328,987,121
10/1/49	0	6,251,028,084	4,392,354,136	1,858,673,948	2,650,865,979	(792,192,031)	70.27%	2051	228,294,074	67.5%	110,000,000	32.5%	338,294,074
10/1/50	0	6,102,305,850	4,427,440,779	1,674,865,071	2,606,393,215	(931,528,144)	72.55%	2052	237,996,572	68.4%	110,000,000	31.6%	347,996,572
10/1/51	0	5,945,016,377	4,474,645,739	1,470,370,638	2,549,816,611	(1,079,445,973)	75.27%	2053	248,111,426	69.3%	110,000,000	30.7%	358,111,426
10/1/52	0	5,779,683,928	4,536,226,537	1,243,457,391	2,479,957,861	(1,236,500,470)	78.49%	2054	258,656,162	70.2%	110,000,000	29.8%	368,656,162
10/1/53	0	5,606,826,925	4,614,564,427	992,262,498	2,395,545,427	(1,403,282,929)	82.30%	2055	269,649,049	71.0%	110,000,000	29.0%	379,649,049
10/1/54	0	5,426,882,789	4,712,098,380	714,784,409	2,295,207,773	(1,580,423,364)	86.83%	2056	281,109,133	71.9%	110,000,000	28.1%	391,109,133
10/1/55	0	5,240,848,097	4,831,975,022	408,873,075	2,177,466,127	(1,768,593,052)	92.20%	2057	293,056,272	72.7%	110,000,000	27.3%	403,056,272
10/1/56	0	5,051,385,165	4,979,165,657	72,219,508	2,040,726,742	(1,968,507,234)	98.57%	2058	0	0.0%	42,792,636	100.0%	42,792,636
10/1/57	0	4,859,916,543	5,157,571,918	(297,655,375)	0	(297,655,375)	106.12%	2059	0	0.0%	43,755,470	100.0%	43,755,470
10/1/58	0	4,667,657,583	4,984,210,443	(316,552,860)	0	(316,552,860)	106.78%	2060	0	0.0%	44,739,968	100.0%	44,739,968
10/1/59	0	4,472,743,551	4,809,412,104	(336,668,553)	0	(336,668,553)	107.53%	2061	0	0.0%	45,746,618	100.0%	45,746,618
10/1/60	0	4,277,357,454	4,635,438,864	(358,081,410)	0	(358,081,410)	108.37%	2062	0	0.0%	46,775,917	100.0%	46,775,917
10/1/61	0	4,080,347,516	4,461,223,030	(380,875,514)	0	(380,875,514)	109.33%	2063	0	0.0%	47,828,376	100.0%	47,828,376
10/1/62	0	3,883,733,889	4,288,874,298	(405,140,409)	0	(405,140,409)	110.43%	2064	0	0.0%	48,904,514	100.0%	48,904,514
10/1/63	0	3,687,186,591	4,118,158,043	(430,971,452)	0	(430,971,452)	111.69%	2065	0	0.0%	50,004,866	100.0%	50,004,866
10/1/64	0	3,492,467,926	3,950,938,119	(458,470,193)	0	(458,470,193)	113.13%	2066	0	0.0%	51,129,975	100.0%	51,129,975
<b>Total:</b>									<b>4,827,071,238</b>	<b>46.5%</b>	<b>5,543,154,296</b>	<b>53.5%</b>	<b>10,370,225,534</b>
<b>Total Present Value at 6.5%:</b>									<b>1,350,838,485</b>	<b>35.1%</b>	<b>2,497,297,639</b>	<b>64.9%</b>	<b>3,848,136,124</b>

<sup>1</sup>Future City contributions are assumed to be equal to the dollar amount of the calculated contribution, payable in October of the fiscal year beginning one year after the valuation date.

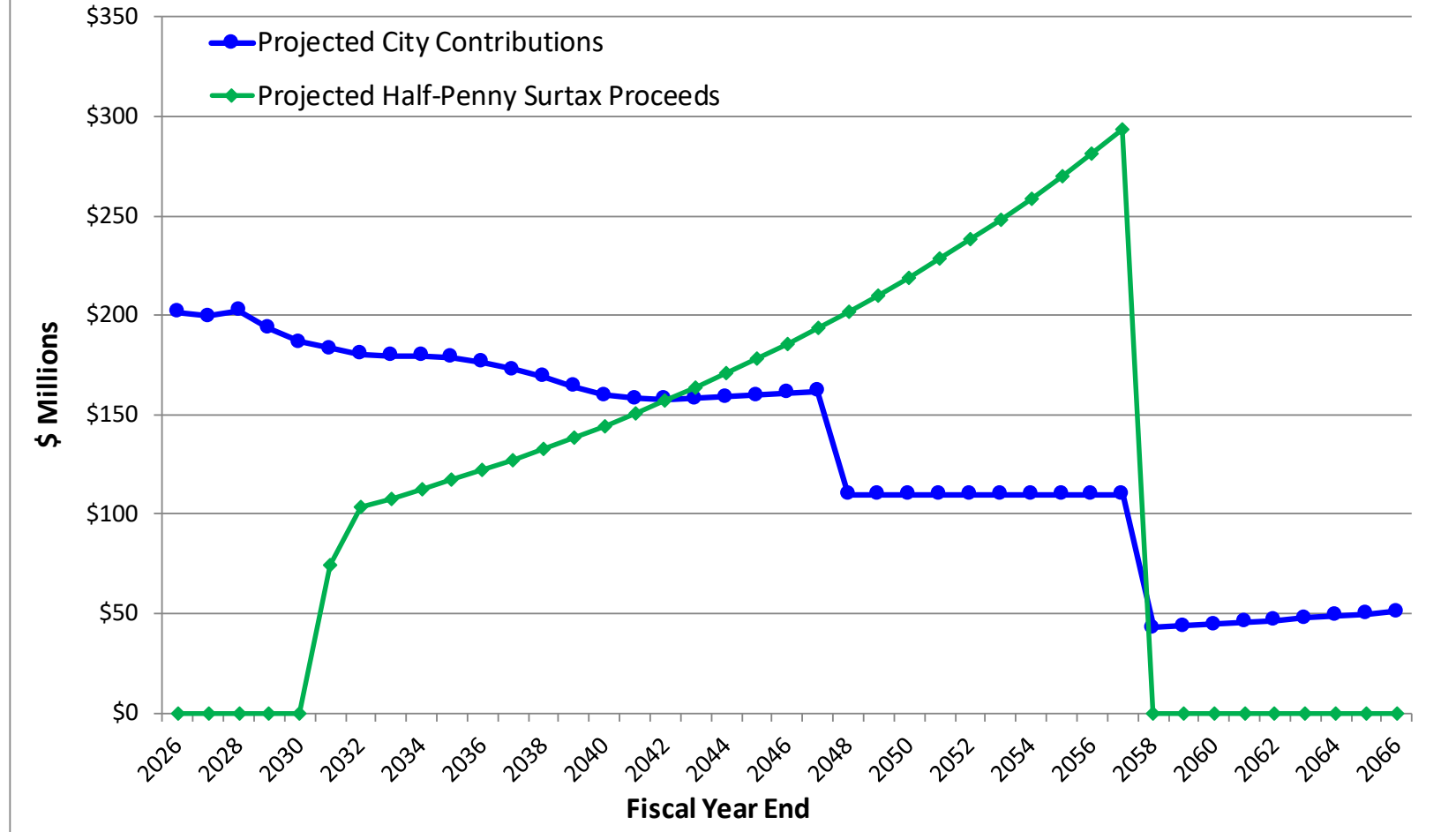
<sup>2</sup>Future City contributions does not reflect the potential use of reserves that have been allocated to the City that may be used to offset the City's required contribution amount. As of October 1, 2024, approximately \$7 million in reserves are available for use by the City.

**Assumptions**

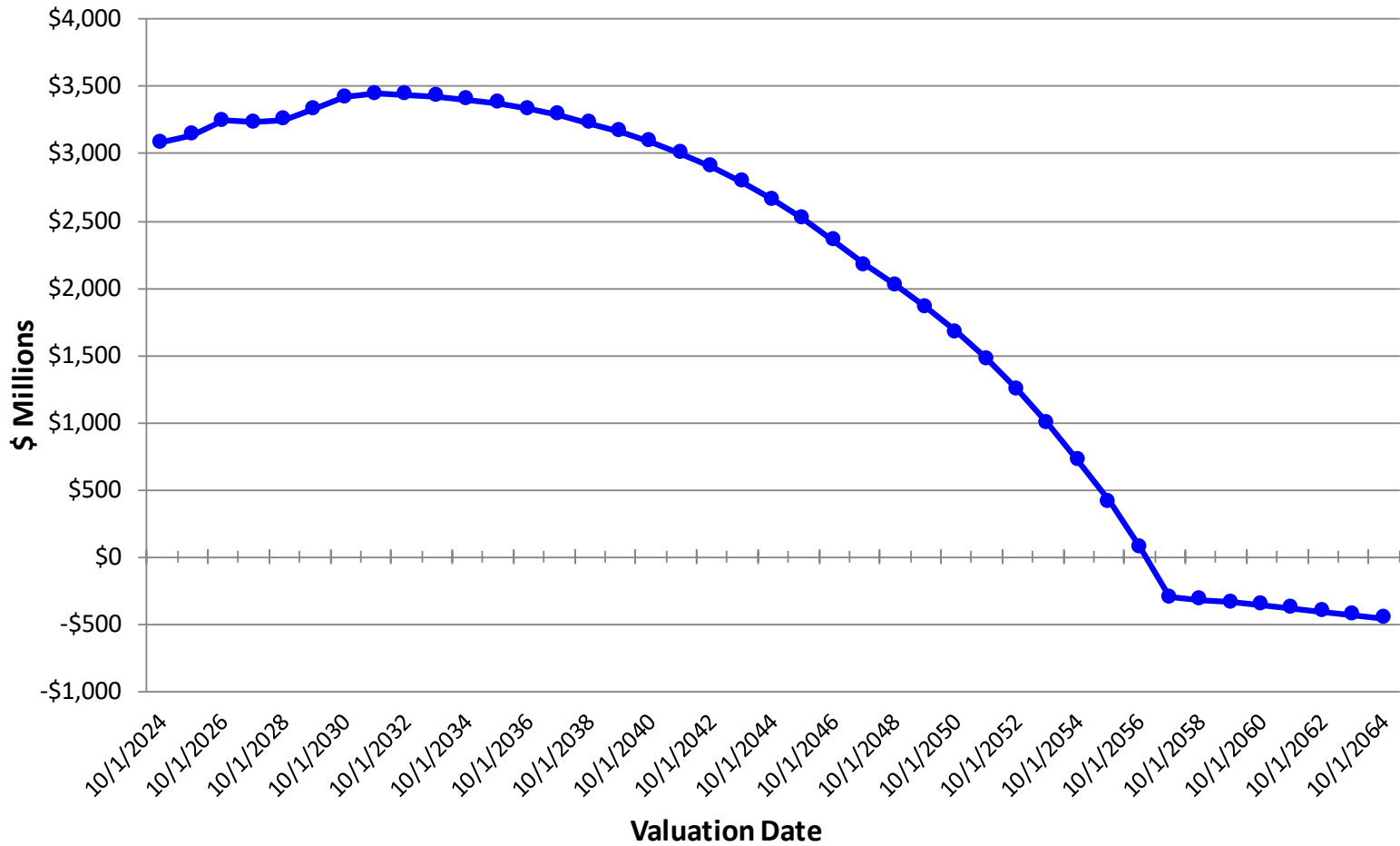
Investment Return Assumption: 6.5% per year  
Actuarial Value of Assets: 5-Year Smoothed Market  
Payroll Growth Rate Assumption: 1.25% per year  
Pension Liability Surtax Proceeds: 5-Year Smoothed Pension Liability Surtax Revenue; 58.3% of Total Revenue Allocated to Police and Fire Pension Fund; Projected to increase 4.25% annually  
Annual Expenses: Projected to increase 2.25% annually  
Future experience was assumed to be consistent with the aforementioned actuarial assumptions and methods. If experience differs from the actuarial assumptions or if the Board adopts different assumptions or methods, future results could be significantly different from the projected results above.



### Jacksonville Police and Fire Pension Fund 40-Year Projection of Pension Liability Surtax Proceeds and Required City Contributions

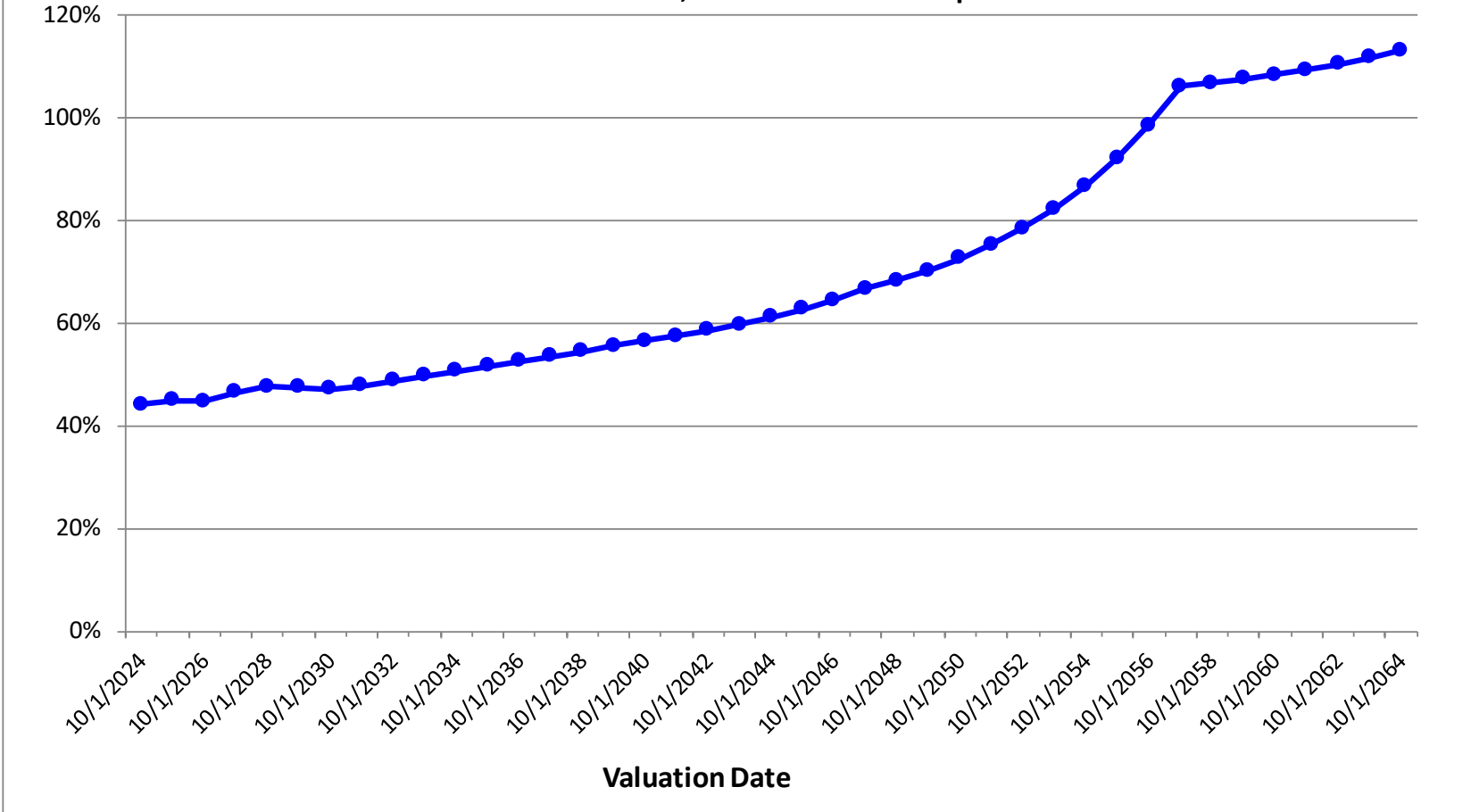


**Jacksonville Police and Fire Pension Fund  
40-Year Projection of Unfunded Actuarial Accrued Liability  
Current Plan, Methods and Assumptions**





**Jacksonville Police and Fire Pension Fund  
40-Year Projection of Funded Ratio  
Current Plan, Methods and Assumptions**



## **SECTION F**

---

### **MISCELLANEOUS INFORMATION**

<b>RECONCILIATION OF TOTAL MEMBERSHIP DATA</b>		
	<b>From 10/1/23 To 10/1/24</b>	<b>From 10/1/22 To 10/1/23</b>
<b>A. Active Members</b>		
1. Number Included in Last Valuation	1,732	1,872
2. New Members Included in Current Valuation	0	0
3. Non-Vested Employment Terminations	0	(1)
4. Vested Employment Terminations	(8)	(21)
5. DROP Retirement	(142)	(115)
6. Service Retirements	(8)	(2)
7. Disability Retirements	0	(2)
8. Deaths	(1)	(1)
9. Other - Rehires	3	2
10. Number Included in This Valuation	<u>1,576</u>	<u>1,732</u>
<b>B. Terminated Vested Members</b>		
1. Number Included in Last Valuation	100	94
2. Additions from Active Members	8	21
3. Lump Sum Payments/Refund of Contributions	(3)	(3)
4. Payments Commenced	(12)	(11)
5. Deaths	0	0
6. Rehire	(3)	(1)
7. Other - Data Corrections	1	0
8. Number Included in This Valuation	<u>91</u>	<u>100</u>
<b>C. DROP Retirees, Service Retirees, Disability Retirees and Beneficiaries</b>		
1. Number Included in Last Valuation	3,410	3,324
2. Additions from Active Members	150	119
3. Additions from Terminated Vested Members	12	11
4. Deaths	(79)	(78)
5. Additions from New Survivor Benefits	47	43
6. End of Certain Period - No Further Payments	(4)	(7)
7. Other - Data Corrections	0	(2)
8. Number Included in This Valuation	<u>3,536</u>	<u>3,410</u>

Note: Participant Data is collected as of July 1.



## ACTIVE MEMBERS AS OF OCTOBER 1, 2024

Age Group	Years of Service to Valuation Date									Earnings	
	0-1	1-4	5-9	10-14	15-19	20-24	25-29	30+	Total	Total	Average
< 25	-	-	-	-	-	-	-	-	-	\$ -	\$ -
25-29	-	-	30	2	-	-	-	-	32	2,628,752	82,149
30-34	-	-	171	60	1	-	-	-	232	19,611,208	84,531
35-39	-	-	131	140	83	2	-	-	356	31,824,600	89,395
40-44	-	-	61	84	213	54	-	-	412	40,980,064	99,466
45-49	-	-	35	37	125	84	7	-	288	29,203,354	101,401
50-54	-	-	13	23	60	40	12	1	149	15,031,641	100,883
55-59	-	-	3	6	39	18	5	2	73	7,005,497	95,966
60-64	-	-	1	2	21	8	-	-	32	2,987,291	93,353
65-69	-	-	-	-	-	2	-	-	2	177,125	88,563
70+	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	445	354	542	208	24	3	1,576	149,449,532	94,828

Average Age: 42.6    Average Service: 14.3

## INACTIVE MEMBERS AS OF OCTOBER 1, 2024

Age	<u>Terminated Vested</u>		<u>Disabled</u>		<u>Retired</u>		<u>DROP</u>		<u>Beneficiaries</u>		<u>Grand Total</u>	
	Number	Benefits	Number	Benefits	Number	Benefits	Number	Benefits	Number	Benefits	Number	Benefits
Under 25	0	0	0	0	0	0	0	0	19	213,392	19	213,392
25 - 29	0	0	0	0	0	0	0	0	0	0	0	0
30 - 34	13	162,858	0	0	0	0	0	0	0	0	13	162,858
35 - 39	18	310,760	1	44,658	0	0	0	0	2	46,874	21	402,292
40 - 44	26	558,401	1	51,740	7	227,190	33	2,034,402	4	178,291	71	3,050,024
45 - 49	15	288,588	1	40,691	35	1,632,920	145	8,957,308	7	238,041	203	11,157,548
50 - 54	10	170,565	2	109,916	257	14,242,904	226	15,193,388	14	631,341	509	30,348,114
55 - 59	5	71,110	7	330,747	487	30,358,136	114	8,022,646	29	1,451,400	642	40,234,039
60 - 64	4	107,316	12	648,784	408	27,021,302	37	2,191,546	34	1,697,520	495	31,666,468
65 - 69	0	0	8	389,548	320	24,174,639	10	687,656	57	3,212,539	395	28,464,382
70 - 74	0	0	9	479,922	316	24,807,395	0	0	85	4,684,568	410	29,971,885
75 - 79	0	0	4	155,387	323	25,660,589	0	0	87	4,581,778	414	30,397,754
80 - 84	0	0	1	26,236	134	10,884,154	0	0	94	4,640,696	229	15,551,086
85 - 89	0	0	0	0	76	6,085,872	0	0	58	3,179,134	134	9,265,006
90 - 94	0	0	0	0	20	1,295,293	0	0	39	1,251,266	59	2,546,559
95 - 99	0	0	0	0	4	277,080	0	0	9	172,994	13	450,074
100 & Over	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>91</b>	<b>1,669,598</b>	<b>46</b>	<b>2,277,629</b>	<b>2,387</b>	<b>166,667,474</b>	<b>565</b>	<b>37,086,946</b>	<b>538</b>	<b>26,179,834</b>	<b>3,627</b>	<b>233,881,481</b>
Average Age:		43.7		64.6		66.4		52.5		73.2		64.6
Avg. Annual Benefit:		18,347		49,514		69,823		65,641		48,661		64,483



## **SECTION G**

---

### **SUMMARY OF PLAN PROVISIONS**

# SUMMARY OF PLAN PROVISIONS

## POLICE AND FIREFIGHTERS PENSION FUND

### A. Ordinances

The Plan was established under the Code of Ordinances for the City of Jacksonville, Florida, Title V, Chapter 121. The Plan is also governed by certain provisions of Chapter 175, Florida Statutes, Chapter 185, Florida Statutes, Part VII, Chapter 112, Florida Statutes and the Internal Revenue Code.

### B. Effective Date

Not Available.

### C. Plan Year

October 1 through September 30

### D. Type of Plan

Qualified, governmental defined benefit retirement plan; for GASB purposes it is a single employer plan.

### E. Eligibility Requirements

Any police officer or firefighter employed by the City on a regular full-time basis in an approved budgeted position. The plan is closed to new entrants effective October 1, 2017.

### F. Credited Service

Credited Service is measured as the total number of months and fractional parts thereof of full-time employment with the City during which time prescribed employee contributions are made.

Members may purchase up to 5 years of service as a Florida State Certified Police Officer or Firefighter with another public employer and up to 2 years of wartime military service. No service is credited for any periods of employment for which the member received a refund of their contributions.

### G. Compensation

Amounts actually paid to participants, including base salary, longevity, City college incentive, enhanced certification pay, emergency operation and hazardous duty pay; shift differential, and "upgrade" pay; and excluding all overtime, state incentive pay, reimbursed expenses and allowances such as cleaning/clothes allowances, and payments for unused accrued time.



## H. Average Final Compensation (AFC)

The average of Compensation shall be the final two years of Credited Service immediately preceding the time of retirement.

## I. Time Service Retirement

Eligibility: A member may retire on the first day of the month coincident with attainment of 20 years of Credited Service.

Benefit: Average final compensation multiplied by:  
(1) 3.0% for each year of Credited Service for the first 20 years of service, plus  
(2) 2.0% for each year of Credited Service for years in excess of 20 years of service.

The maximum benefit is 80% of AFC.

Normal Form  
of Benefit: 75% Joint and Survivor option.

Health Care  
Supplement: Monthly benefit of \$5.00 multiplied by years of Credited Service (not in excess of 30).

COLA: Each retiree will receive a 3.0% increase in benefits beginning with the first bi-weekly pay period in the first January after commencement of benefit and in each subsequent first bi-weekly pay period in January.

## J. Delayed Retirement

Same as Time Service Retirement taking into account compensation earned and service credited until the date of actual retirement.

## K. Disability Retirement

Eligibility: Any member who becomes totally and permanently disabled as a result of an act occurring in the performance of service for the City is immediately eligible for a disability benefit.

Benefit: The greater of:  
(1) the member's accrued benefit to date of disability, or  
(2) 60% of AFC in effect on the date of disability.

Normal Form  
of Benefit: 75% Joint and Survivor option.





#### Health Care

Supplement: Monthly benefit of \$5.00 multiplied by years of actual years of Credited Service (not in excess of 30).

COLA: Each disabled retiree will receive a 3.0% increase in benefits beginning with the first bi-weekly pay period in the first January after commencement of benefit and in each subsequent first bi-weekly pay period in January.

#### L. Pre-Retirement Death

Eligibility: Any member who is killed or dies from effects of an injury or of any illness or disease is eligible for survivor benefits regardless of Credited Service.

Benefit: If the member has a legal spouse, the pension benefit is the greater of:  
(1) 75% of the member's accrued benefit to date of death, or  
(2) 45% of AFC (i.e. 75% of the member's minimum projected time service retirement benefit) in effect on the date of death.

If the member had children, an additional \$200/month per child (total 75% of normal benefit if orphan) until (i) child reaches age 18 years, whether or not the child is a qualified student, or (ii) child reaches age 22, provided the child is a qualified student, or (iii) each child becomes married, provided that the total of the surviving spouse and children's benefits do not exceed the total of the deceased member's projected benefit.

If the member does not have a surviving spouse or children, a refund of the member's contributions to the Plan without interest shall be payable to the estate of the Member.

#### Normal Form

of Benefit: Payable for the life of the beneficiary.

#### Health Care

Supplement: Monthly benefit of \$5.00 multiplied by years of actual years of Credited Service (not in excess of 30).

COLA: Each beneficiary will receive a 3.0% increase in benefits beginning with the first bi-weekly pay period in the first January after commencement of benefit and in each subsequent first bi-weekly pay period in January.

#### M. Vested Termination

Eligibility: A member has earned a non-forfeitable right to Plan benefits after the completion of 5 years of Credited Service. Optionally, vested members may elect a refund in lieu of the vested benefits otherwise due.



Benefit: The benefit is the member’s accrued Time Service Retirement Benefit. The benefit begins on the date that would have been the member’s Time Service Retirement date based on years of Credited Service at the termination date.

Normal Form  
of Benefit: 75% Joint and Survivor option.

Health Care  
Supplement: Same as Time Service Retirement.

COLA: Same as Time Service Retirement.

**N. Refunds**

Members terminating employment with less than 5 years of Credited Service will receive a refund of the member’s contributions without interest.

**O. Member Contributions**

10% of Compensation; 2% of Compensation for members in the DROP.

**P. Employer Contributions**

Any additional amount determined by the actuary needed to fund the plan properly according to State laws.

**Q. Cost of Living Increases**

Each retiree and beneficiary will receive a 3.0% increase in benefits on each first bi-weekly pay period in January.

**R. Deferred Retirement Option Plan**

Eligibility: Same as Time Service Retirement.

Benefit: The member’s Credited Service and AFC are frozen upon entry into the DROP. The monthly retirement benefit as described under Normal Retirement is calculated based upon the frozen Credited Service and AFC.

Maximum

DROP Period: The following time limits will apply for eligibility to elect to participate in the DROP:

<b>Years of Credited Service at Time of Election:</b>	<b>Maximum Pay Periods of Participation:</b>	<b>Maximum Months of Participation:</b>
20 but less than 30 years	130 biweekly	60
30 but less than 31 years	78 biweekly	36
31 but less than 32 years	52 biweekly	24



Interest

Credited: An annual rate of return of 8.40%.

Normal Form

of Benefit: Lump Sum, Direct Rollover, Partial Lump Sum with a Direct Rollover, or Monthly Distribution of the remaining balance.

COLA: Same as Normal Retirement.

**S. Other Ancillary Benefits**

There are no ancillary retirement type benefits not required by statutes but which might be deemed a City of Jacksonville Police and Fire Pension Fund liability if continued beyond the availability of funding by the current funding source.

**T. Changes from Previous Valuation**

None.